



## **USASBE Innovative Pedagogy Award**

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## **Nominee:**

George T. Solomon  
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Department of Management  
Director, Center for Entrepreneurial Excellence  
The George Washington University

## **Purpose and/or Mission of the Nominated Pedagogy:**

To create a simulated environment where graduate students and their teams can experience real-life scenarios through multi-level role-playing, a style of immersive learning based on interactions between and among individual students, in-class teams, and external small business experts, consultants, and advisors. The students are presented with a variety of scenarios covering legal, marketing and financial issues a start-up small business might face.

## **Additional Material Contact**

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## **Primary Objectives of Pedagogy**

Students will take a feasibility plan from an Entrepreneurship course, *Up To You*, (see the executive summary in Appendix A) and using the feasibility plan as a basis for their small business, respond to three scenarios posed throughout the semester by the professor (See Appendices B, C, D), which affect the success and survivability of their business. Teams will write 2–4 page reports detailing the steps they will pursue to deal with each of the issues in each scenario affecting their business. The professor and invited guest expert consultants or advisors will role-play with the students, giving feedback on the student team's strategies as though these were actual proposals from real firms. The professor will grade not only the teams' reports, but also their responses and reactions to the role-play. Expert consultants or advisors are briefed in advance of the class, receiving a copy of the scenarios and the full feasibility plan which created UP2U.

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## **The Principal Students and/or Individuals the Pedagogy Is Designed to Serve**

Currently this pedagogy is used in a graduate Small Business Management class, but it can be applied to an undergraduate Small Business Management course. With some modification, this pedagogy could also be adapted for an entrepreneurship course.

## **An Abbreviated Description of the Program, Course or, Pedagogy**

The Small Business Multi-Level Role-Play:

Multi-level refers to an activity that operates at multiple depths. In the case of an educational activity, this means something that causes learning to occur both individually and in at least one group level. The small business multi-level role-play has students learning individually as they consider the best options that could address each problem. This is further enhanced by the within team discussions of the problems and challenges, resulting in a sharing of knowledge, experience, and creativity. The case study goes beyond this, though, by bringing all of the groups together to interact with an expert on the topic of the current challenge. Thus, learning occurs at three levels (individual, group, and class), which greatly enriches the learning experience for each student.



The role-play aspect of the activities changes the format through which the students learn. Normally, students are forced to learn from reading or are told what the "right" answer is. A role-play puts the students in the position of a business owner, which makes all things much more contextualized. Through a role-play, students do more than just act like a small business owner, as merely "acting" implies that the consequences of failure are only academic. Instead, students find that they begin to think as though the success or failure of the business affects them personally, resulting in an increased investment in time and effort on the papers and role-plays. The goal of a role-play is to remove the abstraction that normally results from a learning experience in the classroom or homework.

After students have had an opportunity to immerse themselves by considering the problems their business faces both individually and with their teammates, they then interact with an expert who portrays an expert consultant a small business in trouble would actually seek out. The back-and-forth interaction results in the continued immersion of the students, and thus the learning from the interactions are greater than had the expert simply lectured.

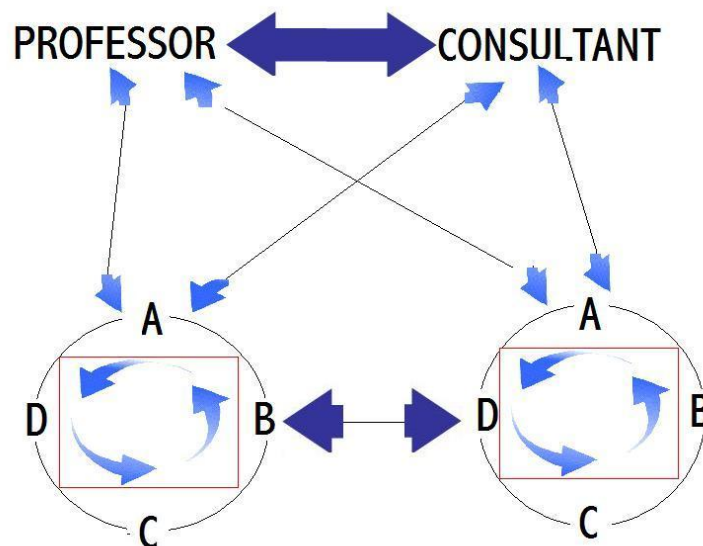


## Unique Aspects and Features of the Program, Course, or Pedagogy

The dilemma confronting faculty in teaching small business management is creating a real time scenario that immerses the students into the business and forces them to think and act as small business managers in a dynamic environment. To do this effectively within the constraints of an academic classroom, professors are confronted with the paradox of provide realism integrated with theory and concepts. Borrowing from the behavioral science field, I created the multi-level role-playing in which students must interact and react at multiple levels to scenarios they must solve in order for their business, “Up to You” (UP2U) a health conscious grab-and-go restaurant, to survive.



## Small Business Management Multi-Level Role-Play Model



## Sources of Funding and/or Support for the program, Course, or Pedagogy

Support is provided through the Center for Entrepreneurial Excellence (CFEE) and the Department of Management at The George Washington University.

## **Program, Course, or Pedagogy Benefits for Its Students**

- Provides scenarios and opportunities for students to solve real-life issues confronting small businesses in which they feel personally invested.
- Requires students to integrate theories and concepts of small business management with real-life issues and exogenous forces such as local, state, and Federal agencies that impact the survivability and growth of the business.
- Offers students the opportunity to interact with their team members as well as the professor, expert business consultants, and advisors.
- Sustains the essence of the course by immersing the students and the professor into the environment of a small business owner-manager.

## **Program, Course, or Pedagogy Outcomes, Both Short- and Long-Term**

### **Short-Term**

#### **Students learn how to:**

- Effectively and efficiently work with their team members.
- Deal with external forces (i.e., state and local licensing agencies).
- Respond and interact with expert small business consultants and advisors.
- Develop a strategy for a wide variety of issues within a two week period.
- Write concise strategic recommendations to deal with the issues confronting them.
- Demonstrate an action-oriented posture as a small business owner-manager.
- Discuss reasonable approaches to challenges facing small businesses.

### **Long-Term**

#### **Students learn how to:**

- Identify issues confronting their business and develop a response quickly.
- Reorient their conceptual framework to an action-oriented strategy rather than a reactive strategy.
- Deal with the underlying principles governing small business ownership.
- Become more knowledgeable about the role of external consultants and advisors and how best to employ their knowledge.
- Make decisions affecting the viability of their small business.



**TAB A**

## **APPENDIX A**

### **Executive Summary for UP2U**

#### **Copy of Feasibility Plan**



## **Appendix A**

### **UP 2 You**

### **Executive Summary**

#### **A.     *Mission Statement***

Up2U is committed to providing patrons a truly personalized dining experience by offering a wide selection of high quality, fresh, and nutritious foods in a salad bar setting to accommodate our customers' wide array of dietary needs and restrictions. Hungry people have the freedom to pile as much or as little as they want into their priced-by-size container and can choose to enjoy their meal either in our establishment or take it away.

#### **B.     *Description of Business***

Up2U is a limited service eatery, focused on supplying nutritious and low-cost salads to the growing number of health conscious, young professionals in the downtown Washington D.C. area. Our unique pricing strategy of pay-per-container allows customers the freedom to create a customized meal from the wide selection of fresh and nutritious ingredients that Up2U has to offer without having to worry about how much their food weighs or how many different ingredients they want. There will be set prices for each size containers.

#### **C.     *Product/Service***

Up2U is committed to customer choice by offering the widest selection of fresh and nutritious salad ingredients ranging from traditional toppings to fresh produce to lean proteins. Up2U will also work with patrons with dietary restrictions to develop well-balanced meals by offering nutritional guidelines for customers concerned about their meal's nutritional content. Color-coded stickers will direct customers to ingredients which are beneficial and well-suited for a number of dietary restrictions including: low-carb, lactose-free, vegetarian, and low-calorie.

#### **D.     *The Strategy***

Up2U is not your average eatery. Patrons will select one of several sized containers and pay a fixed price based on their selection. This pay-per-container pricing strategy sets us apart from most eateries that charge by the pound and only offer one sized container. Because customers are uncertain how much their selections weigh, and therefore do not know how much it will cost, many pass up their favorite ingredients since they may weigh more than others. This buyers' remorse means they are not enjoying "the perfect salad" based on their preferences. Under our system, Up2U will foster an environment where diners will be pleased with their selection and

feel no guilt for enjoying whatever items they want, regardless of how much the salad weighs.

As an added benefit to our customers, Up2U will offer a unique color-coded system that will graphically identify items that satisfy certain dietary restrictions. Many people have problems going out to eat because they appear to be a fussy eater, when they are just trying to heed their physician's advice. By having various colored labels for different ingredients, our system will allow people to avoid the embarrassment and hassle of asking staff members about each choice yet ensure customers make the appropriate selections.

#### ***E. Financials***

Containers are priced as follows: small sells for \$7, medium for \$9, and the large is \$11. These prices are inline with local competitors pricing schemes. These prices are slightly higher than the other salad retailers in the area. But given our competitive advantage strategy, customers will be happier with the selections provided and will feel they are getting a good value for their dollar as they will be able to make their own selections for add ons. Also, the upfront pricing scheme will create good customer relations and lend to a very loyal customer base. When they buy a salad a competitor's store, there is a base price and all extras are added on later. So their prices are misleading. The other salad bars are pay by pound and there is an assumption that the container provided will, roughly, equal the one-pound price listed. Frequently hungry consumers underestimate the weight of their selections and are aggravated when they reach the register to find out they own much more.



## **Up2U Restaurant**

Professor **Solomon**  
February 21, 2008

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# **1. Executive Summary**

## **A. Statement of Purpose**

### ***Mission Statement***

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### ***The Menu***

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## 2. Market Data

### ***A Target Market Demographics***

#### ***Washington D.C.***

In 2005, Forbes magazine ranked the Washington metro area as the 4th best city to start a business. Based on high rankings for education, income growth, and job growth, Washington D.C. ranked fourth behind Boise, Raleigh-Durham, and Austin (Badenhausen, 1).

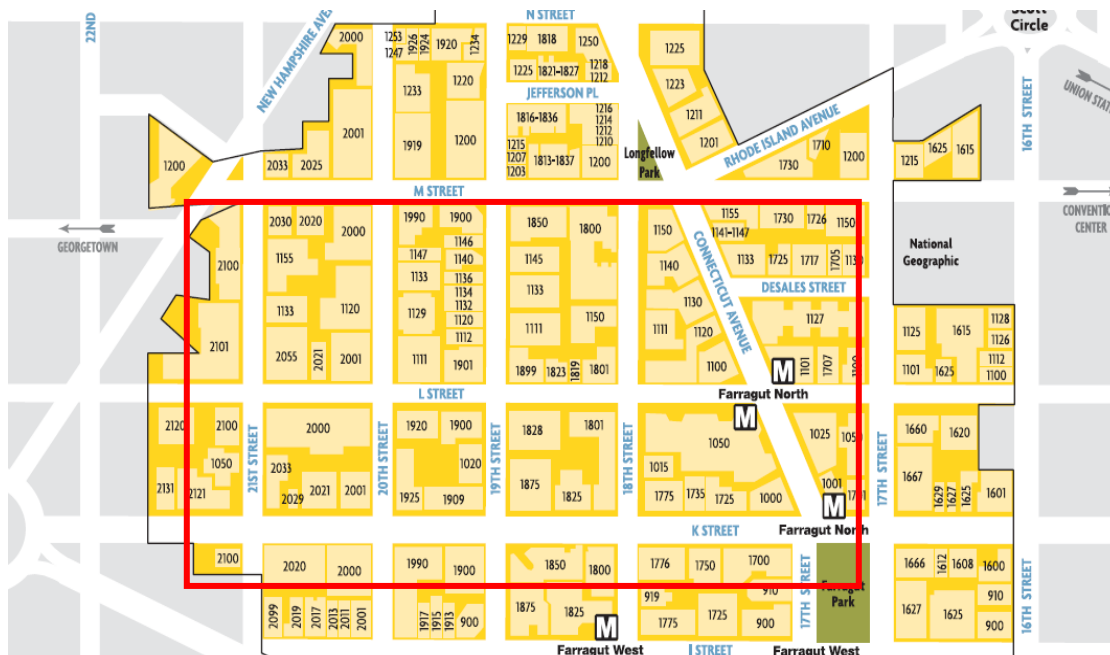
From 1999 to 2004, only six metropolitan regions in the U.S. had positive job growth. Washington's greater metropolitan area tops this list with 314,000 new jobs. In 2004, 77,100 new jobs were created in the Washington D.C. area. The area also has one of the lowest unemployment rates of 3.3%, which is well below the national average of 5.5% (2005 Regional, 7). This job growth is expected to continue. Estimates developed by the Downtown Business Improvement District say that the city can expect the addition of 5,500 office-using employees annually over the next 25 years (New Study, 7).

Currently over \$29 billion worth of real estate are being developed in the Washington D.C. area. Included in this is 50.7 million square feet of office development. With a low vacancy rate of 5.5% and average rental rate of \$38.61 per square foot, Washington D.C.'s office market is one of the best performing in the nation. Washington D.C.'s market is the top ranked national and international investment market as rated by the Association for Foreign Investors in Real Estate. The residential market is also growing. In 2003, more than 65% of residential properties sold in thirty days or less. Apartment vacancy rate is only a mere 2.9% (Market Segment, 3). Up2U can take advantage of the growing population and the growing demand for office space as its target market increases.

Of 1,606 businesses surveyed in the Washington D.C. area, approximately 75% were headquartered in Washington D.C. The majority of the businesses were also small with 80% having less than 100 employees, and 64% having revenues of \$1 million or less.

#### ***Golden Triangle District***

Up2U will be located within Washington D.C.'s Golden Triangle District, which the area marked above bordered by 17th, 21st, K, and M Streets. This area was nicknamed the Golden Triangle by the real estate community for its wealthy occupants. Besides having over 50,306 residents within a one-mile radius, the Golden Triangle area also has a significant business population. This area is home to over 4,000 businesses, as well as over 600 national and international company headquarters. On an average weekday, over 160,000 pass through the Golden Triangle's four Metro stations: Dupont Circle, Farragut North, Farragut West, and Foggy Bottom (2005 Neighborhood, 89). Up2U can take advantage of the area's business population, as well as the area's student population due to the presence of The George Washington University (GWU). As of Fall 2005, GWU has 9,912 undergraduate students and 9,650 graduate students enrolled on-campus (On-campus Enrollment, 1). Employing approximately 13,000 people, GWU is also the region's largest private employer in Washington D.C. (2005 Regional, 15).



Source: [www.wmata.com](http://www.wmata.com)

### ***Population***

As of 2004, the population of the U.S. was 285,691,505, and the population of Washington D.C. was 518,074 (District of Columbia, 1). Within a half of a mile radius of the Golden Triangle district, the population is 6,119 households and 10,013 people. Within a one-mile radius of the Golden Triangle sector, the population jumps 30,139 households and 50,306 people (2005 Neighborhood, 89). Up2U believes that it can target the population within one mile of its restaurant for its lunch crowds, as people would prefer to eat lunch within walking distances to their offices.

### ***Sex***

While Up2U will target both male and female customers, studies have shown that men and women attempt to lose weight differently. A three-year study portrayed that when trying to lose weight, men generally increase their physical activity, while women change their diet. With a half of a mile from the Golden Triangle district, 51% of the population is female (2005 Neighborhood, 89). Up2U can capitalize on the increased female population with its healthier menu alternatives.

### ***Race***

According to the Census data, when in combination with one or more races, approximately 59% of the population in Washington D.C. is African American, 34% is Caucasian, and 3% is Asian (District of Columbia, 2). Up2U will target all races as part of its target market, as it is a national goal to improve health for all citizens.

### ***Age***

Up2U will target the 15 to 34 range, as this age group tends to be more health conscious. The Golden Triangle is a suitable location for Up2U, as the median age of the Golden Triangle falls well in this range. Within a half of a mile of the Golden Triangle district, the median age is 22.1 years. This is most likely a result of having GWU located in this area. Within a one mile radius, the median age jumps to 30.2 (2005 Neighborhood, 89). This median age is well below the national average age of 36.2 years. Within a one-half mile radius from the Golden Triangle 60% of the population falls within the range of 15-34 years, and 50% of the population falls within this range within a one mile radius of the Golden Triangle sector (2005 Neighborhood, 89). Because the younger generations tend to value healthier lifestyles, Up2U can benefit from the large population of the younger generation in this area.

### ***Education***

According to Census data, 84% of the population 25 years and over in Washington D.C. have a high school degree, and 48% have a bachelor's degree (District of Columbia, 4). The percentage of people over 25 with at least a bachelor's degree helped rank Washington D.C. second in the Forbes magazine rankings for educational attainment (Badenhausen, 1). The educational level is also seen with Washington D.C.'s top lifestyle characteristics. Over 23% of the population reported following current affairs and politics, and approximately 32% reported that they attend cultural and arts events. (Lifestyle Market, 639).

### ***Lifestyles and Social***

Social norms in the area demonstrate that a common meeting place is a welcome environment. Most people actually living in or near this urban triangle live in relatively small apartment homes and have little room to entertain guests. The majority of the patrons are expected to be from the pool of businesses in the area. There are a great number of offices which implies a need for a friendly, inexpensive eatery will be a good place to hold informal and impromptu meetings or small group (2-5 people) social gatherings.

### ***Length of residency***

Washington D.C. is a very transient town. In the Golden Triangle district, only 26.1% have lived here over ten years. 36.2% of the population moved from 1995 to 1998, and 37.6% moved in from 1999 to March 2000 (2005 Neighborhood, 89). Up2U will have to continuously market to new customers, as the increased transience of the city may deter long-term customers.

### ***Income***

The mean average income within a one mile radius of the area is \$82,708 (2005 Neighborhood, 89). This average is almost \$12,000 higher than the national average income of \$60,070 (U.S. General, 1). As discussed earlier, Washington D.C. also has strong annual income growth. This growth increases the amount of disposable income and income that can be spent on dining out. Last year, consumer expenditures totaled over \$149 million for dining out at restaurants. This is an average of \$2,967 per person (Market Segment, 7). Up2U can benefit from increased sales from the strong income growths in the Washington D.C. area, as well as the affluence of the Golden Triangle district.

### ***Diet***

According to Sperling's Best Places, Washington D.C. is the second healthiest city in the United States. In order to calculate this ranking, Washington D.C. was compared with 49 other cities based on mental wellness, lifestyle, activity, health, and diet (Centrum, 1). Up2U can benefit from the amount of healthy eaters in the Washington D.C. area, as Washington D.C. scored in the 95<sup>th</sup> percentile for diet.

Other surveys found similar results about Washington D.C. and its healthy lifestyle. An indicator of lifestyle trends shows that improving one's health is one of the top indicators for Washington D.C. Approximately 26.3% of households in Washington D.C. value improving one's health. This amount is 31% greater than the national population. Another top lifestyle indicator is eating fine foods and gourmet cooking, as 26.9% of the population surveyed in Washington D.C. valued eating gourmet meals. Eating health and natural foods also ranked high on the lifestyle value scale, as Washington D.C. population values health foods 16% more than the national population (Lifestyle, 639).

### ***Physical Fitness***

Along with eating healthy, the population in Washington D.C. values physical fitness. The participation rate for running and jogging in Washington D.C. households is 53% greater than the national household rate. The participation rate in Washington D.C. for playing tennis regularly is also 59% greater than the U.S. household rate of participation (Lifestyle, 639).

### ***Health Trends***

A Body Mass Index of 25.0 to 29.9 is considered overweight, and a BMI of over 30.0 is considered obese. 36.8% of the United States is considered overweight, and 21.5% is obese. The Washington D.C. averages are a bit less; however, with 31.7% overweight and 20.5% obese. One of the leading causes of obesity is



poor nutrition and diet. In 2000, only 31.5% of the population in Washington D.C. reported eating five or more servings of fruits and vegetables a day. Up2U will work to promote healthier eating through education and nutrition education (D.C. State Health, 15).

## **B. Competition**

### ***Specific Region Restaurant Industry***

The restaurant industry is a very important part of the Washington D.C. economy. With 2,155 establishments, eating and drinking establishments make up 35.5% of the number of retail stores in the Washington D.C. area (Market Segment, 7). These stores account for \$1.6 billion in sales. In 2002, the U.S. Census reports 1,684 food service and drinking place establishments, as defined by the NAICS code. Only 19 of these restaurants were part of the same subset 722212 Cafeterias, buffets, and grill buffets as Up2U (Accommodations, 1).

The Golden Triangle is home to more than 200 restaurants of all types (2005 Neighborhood, 89). Given the number of eateries in the Washington area, Up2U will have a large amount of competition. Up2U's direct competitors will include the number of fast-food chain eateries who currently offer healthier alternatives. Such restaurants include Au Bon Pain, High Noon, and Cosi. These restaurants generally serve a wide variety of mixed salads, as well as a build-your-own option, which is priced based on the number of ingredients. Another group of direct competitors are the other cafeteria restaurants such as SoHo and Market-to-Market, who generally charge by the pound. The Golden Triangle Guide reports on the dining establishments within the Golden Triangle area. According to this document, the area hosts 5 Au Bon Pain locations, 4 Cosi locations, 1 High Noon location, 2 SoHo's, and 1 Market-to-Market.

#### ➤ *Cosi*

In summer of 2005, the prices of a salad at Cosi ranged from \$6.19 for an 8 ounce basic green salad with tomatoes, carrots, cucumbers, and scallions to \$7.79 for the Cobb salad, which contains only bacon, grilled chicken, gorgonzola, tomatoes, scallions, and lettuce. Cosi also has a build-your-own option, which charges per ingredient. Up2U feels that its price-by-container strategy will successfully differentiate itself from Cosi, and offer customers more options at a reasonable price.

#### ➤ *High Noon*

High Noon's salad selection ranges from \$5.99 for the basic garden salad including spring mix, cucumbers, tomatoes, carrots, green onions, and sunflower seeds to the Asian Salad which comes with either chicken or tofu, carrots, cucumbers, broccoli, bean sprouts, sesame noodles, green onions, and crunchy noodles. High Noon also has a build-your-own option, where customers must wait in line and fill out an order form for their salads to be mixed. This salad is also priced by the ingredient. Up2U will offer customers the opportunity to build their salad to their likings and not be forced to fill out any order forms. Customers will be able to see the items and choose from a wide array of fresh meats and produce. Most importantly, customers, rather than employees, can choose exactly how much they want of each item.

#### ➤ *Market-to-Market and SoHo*

Both Market-to-Market and SoHo have similar business strategies. Both restaurants operate in a cafeteria setting, where consumers pay approximately \$5.00 per pound for any combination of foods. Consumers can choose from the hot plate items such as fried rice, egg rolls, hamburgers, mashed potatoes, french fries, etc or from the salad bar which offers a limited array of fresh fruits and vegetables. Both Market-to-Market and SoHo also offer a sandwich bar, where customers can order sandwiches and hamburgers. Up2U will differentiate itself from these competitors by offering the unique pricing strategy. Rather than pricing per pound, Up2U will charge a fixed rate per container.

#### ➤ *Future Competition*

However, the biggest competition will most likely come from a new restaurant Just Fresh slated to open in the Golden Triangle district in 2006 (Just Fresh to open, 1). Just Fresh's mission statement somewhat resembles Up2U's "At Just Fresh®, we're committed to serving great tasting foods that are consistent with today's healthier lifestyle, never see a fryer, and include lots of fresh fruit, vegetables, nuts and grains, as well as poultry, seafood and lean meats" (JustFresh.com, 1). The Golden Triangle Business Improvement District reports the owners plan on opening up to 30 new restaurants by 2007. Up2U will monitor the progress of Just Fresh and market its unique pricing strategy in order to differentiate itself from this competitor.

➤ *Other Competition*

*Quick-service/fast-food restaurants* – these establishments have a limited menu comprised of items that require minimal preparation and are sold at the lowest price. Examples: McDonald's, Burger King, Baja Fresh, Chipotle.

*Mid-scale Restaurants* – these establishments offer more extensive menus consisting of full meals, but charge a price customers perceive as "good value." They can be either limit-service (patrons order their food at a counter or select from salad bars/buffets) or full-service (patrons place and receive order at a table).

*Upscale Restaurants* – these establishments offer full table service and do not promote their meals as "offering great value." Instead, they market the quality of their food and the ambience of the facility.

### 3. Marketing Plan

Up2U will be selling to a consumer-based target market. Up2U will target customers based primarily on geographic area and lifestyle. The placement of our product is a key element to the marketing mix. The site selected is the Golden Triangle. This region was selected due to the tremendous amount of business traffic and the multiple metro locations, which will allow for a route with a lot of pedestrian traffic. Up2U will appeal to individuals with a propensity to select healthy options. These individuals tend to lead healthy lives, work out, and put a lot of effort into knowing what they eat and choose healthy options when available.

#### A. *Products and Services*

Up2U is a selection of latest health will vary are low fat, dietary



Up2U will from; small, and there cash register.

3.5 inches. The medium sized container will be 9 inches by 5.5 inches by 3.5 inches. The largest container will be 11 inches by 7 inches by 3.5 inches. Up2U is a salad bar setting where customers can walk up to the serving line and confidently make selections based on their personal dietary restrictions and needs without having to suffer the embarrassments of asking a large number of questions and appearing very fussy.

trendy downtown salad bar eatery. Up2U offers a wide salad toppings that will be all in compliance with the reports and most widely accepted diets. The selections with some being vegetarian, others lactose free, some and others will be low calorie to meet the variety of restrictions our customers face.

offer 3 size container selections for patrons to choose medium, and large. Containers will be priced by size will be no surprises when a customer approaches the Small size containers will be 7 inches by 4 inches by

Up2U will also offer a selection of drinks: sodas, bottled waters and juices available in a glass front refrigerator where the patrons can help themselves after payment is made.

## ***B. Product/Service Competitive Advantage(s)***

Our biggest product competitive advantage will be centered on our pricing strategy. The competition in the Golden Triangle area currently employs a pricing strategy for their salad bar selection that involves a pay-per-weight of items. This pricing strategy is a seller-centric pricing strategy. Originally designed to eliminate risk and guarantee a desired margin. This strategy is being used by one of our biggest competitors, SoHo. They garner approximately forty percent of the market with their two Golden Triangle locations. Patrons are willing to pay \$5.99 per pound for a build your own salad. This strategy worked well for a number of eateries when it was a new pricing strategy, but customers are evolving and are looking for new pricing gimmicks where they feel they are getting more value for their dollar.

This has taken shape in a number of new pricing strategies including many salad bars where you pay a fixed price for a basic salad with up to three choices of toppings and pay an small extra price for additional topping items. This strategy is currently being used by local competitors, Just Fresh. Just Fresh has just opened in the Golden Triangle. We expect that they will follow similar pricing strategies used in their other locations, perhaps with a minor price point adjustment due to locality. At their North Carolina downtown locations they are able to gross \$4.99 for a small salad with three topping selections and \$5.99 for a large salad. They have additional toppings available for an additional \$.50 charge per topping.

Our differentiation strategy dictates a new price point system that customers appear to be open to. It will be a fixed price per container size. Customers have the ability to fill the container with any combination of selections from the salad bar, regardless of weight of the item. It is a value-based fixed pricing that can deliver the double dip of higher margins and stronger client relationships by directing the conversation away from uncertain weight increments to more bang-for-the-buck. This strategy will enable us to sell the way our clients want to buy, and make fixed pricing our primary pricing strategy. There will be no uncertainty upon approaching the register about what price the customer will pay. Customers will feel no buyer's remorse for selecting a healthy selection of fruits because they may weigh more than the less diet friendly option of pasta salad.

The competitive advantage will also be the idea of a healthy food gourmet eatery served in a fast customer friendly environment. Aiding this advantage will be the fact that all the choices will be color-coded and clearly labeled.

## ***C. Promotional Strategy***

Promotional strategy will be limited by financial resource available and dictated by the high number of offices in the area. The image Up2U is looking to portray to its patrons is health first.

## **Features**

Top features to be emphasized will be; Healthy eating, a predictable price, a wide variety of choices, and all choices will be color-coded according to dietary restriction needs. All of the selections in our salad bar will meet certain health requirements established such as no trans fat will be added. The predictable price will enable patrons to know what they will be spending when they walk through the door. They will feel good about the selections they make from the salad bar options and not have to worry about selecting some of the healthier items like fruit because the price will not jump because of that selection. There will be a wide variety of choices available so that our customers do not have to eat the same boring salad choices everyday. They can mix and match any number of healthy options.

The color-coded options will help our patrons who are heeding physician's advice. The diabetics will be able to select a low or no sugar option based on the color system devised and that will be obviously placed above the salad bar line. The lactose intolerant patron can select items that are dairy free based on the color-coded options associated with products that are safe for them to eat.

Up2U will be opening up later than some of the competitors in the area, as Up2U will not be offering breakfast selections. The restaurant will stay open later in the evening for patrons wishing to grab a healthy salad to take home or to eat at the office for dinner. Up2U will close by 7 PM. The hours of operation will be Monday thru Friday 11:00 AM to 7:00 PM. This will make

the most of scarce resources and be open during the busiest hours.

## Benefits

The benefits our patrons will enjoy will be healthy gourmet food offered in an informal buffet style cafeteria setting. Patrons will benefit from the selection labels as they will be clearly labeled and easily decipherable in accordance with popular dietary restrictions. People will be able to build a salad and know exactly what they are putting into it. They can do so at their own accord as well. It can be frustrating to have to describe to a server making a salad exactly how much of each item you want included.

## Customer Services

Customer services available will include an expedited payment process, as the food will not have to be weighed. The cashier can ring up a price according to the size container selected and any beverage purchase will be a fixed price as well. Customer will enjoy the ability to pay via cash, credit or debit free of any excess charges to them.

## Advertising/Promotions

Signage will be one of the most important elements to our marketing scheme. Given the volume of pedestrian traffic in the Golden Triangle, Up2U should have a clear and easily seen logo and branding on the windows and/or doors of the restaurant. We plan to spend at least \$500 ensuring our customers know Up2U is located there.

A website will also be needed as it lends validity to a business. We will be able to post our store location and hours, have a customer feedback email address, give customers information about our products including nutritional information of all our products.

Trade associations can be a good point of reference. To be in accordance with suggestions outlined by groups such as the American Dietetics Association, American Diabetic Association, and American Health Association will all lend validity to our healthy eating campaign. Also, key contacts in these positions will allow us to stay abreast of any changes in dietary health news and allow us to adapt selections to remain healthy and in touch with our target market.

A listing in the yellow pages will be needed as well. Also, getting listed in current online databases of restaurants will be most useful. Washingtonpost.com has a listing of restaurants in specific zip codes to help diners find a good location to eat. An ad in a newspaper is not warranted yet. Due to cost and the market we are trying to serve it would not be a good allocation of resources.

A simple flyer of information including nutrition information and highlighting pricing strategy should be distributed to business in the area to announce the opening of the eatery. These flyers will be printed in black and white to save costs and distributed by the founding partners.

We will implement a frequent buyer program where customers will receive a buy ten large salads receive one free program. Cards will be created and printed on colored coverstock. The cards will be punched at the time of purchase and patrons can get them punched at subsequent purchases.

## **D. Pricing Strategy**

The Up2U price point system is a fixed price per container size. Up2U will offer 3 size container selections for patrons to choose from: small, medium, and large. Containers will be priced by size and there will be no surprises when a customer approaches the cash register. Small size containers

will be priced at \$7.00 and are 7 inches by 4 inches by 3.5 inches. The medium sized container will be \$9.00 and are 9 inches by 5.5 inches by 3.5 inches. The largest container will be \$11.00 and are 11 inches by 7 inches by 3.5 inches.

The prices are in line with the current rates offered by local competitors such as SoHo and Just Fresh (as prices are anticipated from the cost of living adjustment from the North Carolina based operation) . The prices are slightly higher, but more selections are available and this is healthful gourmet food. Consumers will pay the market price for this flexibility.

## **E. Growth Strategy**

Up2U expects to suffer a loss for the first three months. After the break even in month four, the income will be approximately \$2,600 a month. Given there are three founders, this will still show as a not profitable business for the owners, as they are currently going without paychecks in order to get the business up an running.

There will be a managerial capacity problem to face if Up2U chooses to expand. This venture will be small to begin with in both management capacities as well as staff resources. There will also be a problem with adverse selection and moral hazard. Moral hazard will be an issue as the three founding partners will have a love for their business and want to baby it and nurture it to grow. As Up2U begins grow and add more hours and or more products, more staff will be required to meet the consumer demand. These new employees will not have the same commitment as the crew that saw the project grow from inception. Pertaining to this problem will also be the issue of managing these employees from a management standpoint. Given the exceeding demands of the customer base as popularity grows, there will be issues associated with adverse selection and hiring the right personnel. There may be ways to motivate new managers (initially, there will be one manager in addition to the three founders) by providing a percentage of revenues available as a bonus. Reputable companies like Au Bon Pain have employed this tactic.

Up2U will create a growth plan that indicates a propensity for sustained growth in small increments. Given the scarce management resources, growth will be controlled and maintained but should be consistent over time. Given these self-imposed restrictions, Up2U will not seek out external growth strategies. The partners will instead explore internal growth strategies relying on our own core competencies, and expertise gained in business operations.

The first step will be to increase market penetration of our current product. Up 2 you has a very modest advertising budget to initiate start up relying heavily on word of mouth and the ability of the managers to leverage contacts and personal skill sets to market the new eatery. Increasing revenues and profits will be the first goal. Once margins have increased there will be room to implement other strategies.

The next step in Up2U's growth strategy will be to improve on our existing product and expand the current product portfolio. Currently, the eatery only offers salads, salad toppings and beverages during lunch hours until early evening (so as to include those leaving the office late and needing something to gnaw on). The first portion of this step will be to expand product offerings. Soups would be a good complementary product to offer. Soups will be a nice addition to the product line as it is a healthful option that can be coordinated to meet the standards set for the salad bar. All soups can be prepared healthfully and clearly labeled as to which diet they meet.

The following step would be a large one from a capital standpoint, a new product. The next logical step would be to open up earlier and incorporate breakfast options. Creation of a new breakfast menu that is in accordance with the healthy lifestyle that Up2U promotes will be challenging. Decisions will need to be made on what types of foods to offer and a pricing scheme will need to be crafted to incorporate Up2U's theme of price per size, yet be competitive with other breakfast options in the area. This will require serious time and consideration to find a new marketing mix to meet the breakfast needs market.

Another option would be to expand geographic location. Once Up2U has been established and the agreements made with suppliers are strong, there will be consideration to expand the business to other locations in the DC Metropolitan area. As addressed earlier, Up2U will not franchise. There will be a developed base of expert knowledge developed and an opportunity to earn more revenue if the owners expand on their own accord. Given the large amount of large-scale franchises in the region, it would be difficult to garner a profitable amount from a franchise offer and external growth strategies will not be desirable. Up2U will be able to reap more benefits and better margins if they are to open up with existing management skills.

Up2U will cautiously grow. There will be special attention needed to be wary of their capital limitations. Also to remain true to the core of the business idea and model created, to provide gourmet, healthy food that is consistent with the numerous dietary restrictions our patrons face.

## **4. Implementation Plan**

### **A. Personnel/Management Team**

Up2U will hire both part-time and full-time staff. Part-time employees will account for the majority of the cashiers and food preparation, while the full-time staff will account for two management positions.

#### **i. Management Team**

The first level of management will come from the founding partners, Teresa David, Sonia Julka, and Mark Wilson.

Up2U will recruit and hire at least one full-time store manager. Recruitment for this position will consist of hiring from the neighboring universities in the Washington, D.C. area, as well as placing ads within the major newspapers. Up2U will also advertise openings on free Internet classified websites such as Craigslist. The store manager will be responsible for the following:

- Interviewing, hiring, and training crew members
- Scheduling the crew to maintain sufficient coverage throughout the day
- Managing the crew to ensure that all guidelines set forth in the Up2U Employee Handbook
- Interact with customers to ensure that all of their expectations of quality and customer service are met
- Maintain inventory and calculate a monthly store budget
- Ensure that all federal, state, and local regulations and certifications are met and maintained
- Calculate store profits and maintaining sales data.

Up2U will hire this store manager at a competitive salary of \$36,000 per year. In the future years, Up2U will consider adding a bonus structure to reward the manager based on net income. Up2U feels that pegging a certain amount of a manager's salary to store income will create an added incentive for good manager performance. Up2U will also provide for benefits, including retirement, health insurance, and a discount to a local gym. Because the store manager will be responsible for training all of the employees, Up2U will hire the store manager a few months before opening, in order to ensure that the manager is knowledgeable about Up2U's expectations and mission.

#### **ii. Staff**

Up2U will be an Equal Opportunity Employer. Recruiting for these positions will take place via the same methods as used for the manager level position with ads in the Craigslist, Washington DC community, potentially some of the smaller local newspapers and flyers that have good circulation in local neighborhoods, and also via window signs stating "Help Wanted." Given the skill set required for these positions we assume that we will receive interest from local college and/or graduate students looking to supplement their discretionary money spending or even locals who have possibly a high school degree looking for steady work without advanced degree requirements.

*Assistant Managers:*

***Given that the store manager will not be able to work during all of Up2U's hours of operation, Up2U will hire two part-time assistant managers to assist the managers in his or her duties and to aid the crewmembers when necessary. The***

***assistant managers are also responsible for supervising the crewmembers. Up2U will pay the assistant managers \$13.00 per hour. Both assistant managers and the store managers will be certified food supervisors, which must be on the premises at all times, as required by law.***

## Crewmembers

Because Up2U will be a buffet type restaurant, a large staff of crewmembers is not necessarily needed. Crewmembers will be responsible for:

- Washing and preparing the foods and placing on the buffet as needed,
- Ensuring the stock and the freshness of the buffet
- Maintaining accurate cash balances in the drawers
- Responding to direct customer inquiries
- Washing and sanitizing dishes
- Cleaning tables, the lobby, and restrooms as needed

Crewmembers will all be part-time, hourly employees, with a base salary of \$7.50 per hour. Crewmembers will be scheduled throughout the day, consisting of 4 to 5 hour shifts. Crewmembers will be trained by the management team through on-the-job training, as well as a classroom orientation class on the mission of Up2U and basic nutrition education. Up2U wants its employees to be knowledgeable on the nutritional benefits of its foods, and Up2U will support a training environment to support this goal. An example of a daily shift schedule can be found in the Appendix.

## ***B. Operations***

Daily operations will consist of 3 stages: Opening Procedures, Operating Procedures, and Closing Procedures. Each of these stages will be outlined in a checklist, which will be monitored throughout the day to ensure that all expectations are met.

Opening Procedures will include conducting a basic inventory check to ensure that there are enough supplies and food on-hand, counting the cash balances for the registers to ensure that all finances have been accounted for accurately, preparing and chopping the food, as needed, and cleaning the lobby.

Throughout the day, the Operating Procedures are as follows: Customers will come and select their container sizes and then move through the salad bar buffet line. At the end of the line, the customers will pay for their container, as well as purchase any type of beverages available for sale. Employees will be on hand to ensure that the salad bar is full and to clean the lobby. Another employee will also be on hand in the kitchen to wash, chop, and prepare the vegetables to refill the salad bar.

The Closing Procedures are similar to the opening procedures. All dishes should be washed and sanitized. The registers should be closed and counted, and the managers can run a daily sales report. The inventory should be checked and managers should be notified of any orders that need to be made.

## ***C. Legal Issues (i.e. Sub-Chapter S Corp.)***

Before Up2U opens, there are many legal steps which must be taken. In order to handle these

legal issues, Up2U has contracted the services of Josh Devore, LLP. First, Up2U must form its legal entity. Up2U has chosen to become a Limited Liability Company (LLC) primarily because this protects each of the 3 individual founders from the personal liabilities of the other partners. Instead, the liability is limited to the capital contributions only. The profits from the Company are also shared equally amongst the members and all profits are taxed as a partnership or as a corporation. The LLC will be member-managed by the 3 members where each member has an equal right to manage the business.

The following forms and certifications must be approved in order to operate in Washington D.C. Where applicable, examples of these documents are found in the Appendix:

- *The Articles of Organization* to legally register the Company in Washington, DC.
- *Registered Agent Certificate* - to name a registered agent to serve as the point of contact for the Company in Washington, D.C.
- *Basic Business License Application* to secure the name of the company and register it in Washington D.C.
- *Certificate of Occupancy* – required to show that the space we are leasing meets the correct building and zoning code requirements for the intended use. Since our business deals with the preparation and serving of food, we need to ensure the building has proper venting. According to the District of Columbia’s Office of Zoning, the Golden Triangle BID is zoned for medium-commercial use allowing for restaurants and eateries.
- *A Clean Hands Certification* - to certify that you don’t owe more than \$100 to the District of Columbia government as a result of fees, penalties, interest, or taxes
- *Federal Employer Identification Number/Tax ID number* – used by the IRS to identify business taxpayers and determine what tax returns they are required to file. FEINs are used by employers, partnerships, LLC’s, nonprofits, and other business entities
- *Combined Business Tax Registration and Application*
- *Department of Health Inspection and Approval*
- *Certified Food Supervisor Certificate*

Fees associated with Licensing include:

<b>Restaurant Fee</b>	<b>Cost</b>
Application Fee	\$35.00
Business Activity: Restaurant	\$10.00
License Fee (Number of Seats: 50)	\$432.00
Certificate of Occupancy (1500 s.f)	\$75.00
<b>Total</b>	<b>\$552.00</b>

Calculated using <http://mblr.dc.gov/information/bbl/calculator.asp>

Other legal issues which may affect the company include the following:

- **Contracts:** Up2U will have to contract with a number of suppliers to ensure on-time delivery of food and supplies. A number of legal risks are associated with contracts, including risk of loss, on-time delivery, and delivery of proper goods.
- **Employee relations:** Up2U will be strictly liable for worker’s compensation. Other legal risks which fall under employee relations include discrimination cases and Equal Opportunity laws and regulations.
- **Customer Injury:** Up2U may be liable for certain negligence and torts cases that are related to injuries from patrons in the store.
- **Trademarks:** Up2U will submit a registration to trademark its name, thus disallowing the use of the Up2U brand without Up2U’s permission.

Up2U has obtained an insurance policy that will cover many of these liabilities including: general liability, property and contents damage, glass damages, worker’s compensation, loss of earnings, and medical liabilities. The definitions of these liabilities for Up2U’s coverage can be found in



the Appendix.

## **5. Critical Risks Assessment/Barriers to Entry**

### **A. Strengths**

Up2U will build on its many strengths in the marketplace in order to leverage their competitive advantage. Up2U has a unique pricing strategy unlike any restaurant in the area that is based on the size of the container and not the weight of the food or the number of ingredients. Up2U is offering this strategy because Up2U knows their customers and puts their needs first. Up2U performed an extensive market survey, which demonstrated the likelihood of Up2U's success. Not only will Up2U offer an alternative pricing strategy, but it will offer the freshest salads at a fair price.

### **B. Weaknesses**

While Up2U has its strengths, there are also weaknesses to keep in mind. While Up2U would like to target the entire population of the Golden Triangle, it has a very limited menu of only healthy alternatives. The lack of choices may deter some patrons from eating at our restaurant. At the same time, Up2U will only operate during limited hours, covering the lunch and early dinner periods, and only during the workweek. Up2U is also competing in a highly saturated market with an unknown brand name.

### **C. Opportunities**

As shown in the demographics section of this plan, Up2U has numerous opportunities in the Golden Triangle District, one of the wealthiest areas in Washington, D.C. and an area with an extremely high occupancy rate. Lifestyle demographics also point to Up2U being a success. Washington D.C. is a hotbed for health and fitness and many will want to take advantage of the healthy alternatives that Up2U will have to offer. Plus, healthy lifestyles are making headlines worldwide with new emphasis on healthier eating and increased exercise. Based on these points, Up2U has an opportunity to succeed and expand throughout the Washington Metropolitan Area.

### **D. Threats**

Up2U will enter a very competitive market currently dominated by national retailers such as Cosi and AuBonPain. Not only do these competitors have more name recognition, they likely have better relationships with their suppliers and therefore may have greater bargaining power to obtain lower prices for their ingredients. Up2U may have difficulty pricing its foods at a lower price. Another threat in the area related to cost is the escalating costs of rent in the Golden Triangle District. Up2U expects that a large portion of its sales will go to covering the cost of rent alone.

## **6. Financial Plan**

### **A. Capital Formation Plan**

#### **i Sources and Applications of Funding**

There are two types of financing, debt and equity. In order to minimize our debt-to-equity ratio, we hope to obtain as much equity funding as possible. Our plan is to begin with our personal savings then see out additional funds from family and friends. Since it is unlikely we will amass enough equity financing to cover all start-up costs, we will need some level of debt financing to cover the rest of our expenses. Our options for debt financing include professional lenders such as the SBA's Minority Enterprise Small Business Investment companies (women-owned businesses qualify) and commercial banks. In regards to

the debt financing, we plan to apply for two types of loans:

- Term loan – usually repaid within five years at equal monthly installments. We would like to limit the length of the loan, even though it will require a higher monthly payment, in order to minimize interest costs.
- Line of Credit – a specific amount of money will be approved and set aside by the bank for us to draw upon as needed. This will be primarily a “safety net” should we ever need it. Though banks typically charge a commitment fee of 0.5% - 1% of the total amount allowed, they only charge interest on the amount used. Therefore, if we are running the operation efficiently, we should have zero costs associated with this loan.

Because we are a new company, and none of us own real estate or any other significant assets, we expect the rates banks will charge to be relatively high. In order to minimize interest payments by qualifying for more attractive loans, we hope to have the loan guaranteed by the Small Business Administration through one of their guaranty programs:

- SBA’s 7(a) program – a vast majority of businesses are eligible for financial assistance from the SBA. However, applicant businesses must operate for profit; be engaged in, or propose to do business in, the United States or its possessions; have reasonable owner equity to invest; and, use alternative financial resources first including personal assets. It should be noted that some businesses are ineligible for financial assistance.

Based on our 722212 NAICS code, we meet SBA’s size standard of \$6.0 million or less of annual revenue per year.

- SBA’s CommunityExpress Loan Program – this program is a joint initiative between SBA and the National Community Reinvestment Coalition that aims to provide streamlined business financing and technical assistance to targeted small businesses including those owned by minorities, women and veterans. Since two of our owners are women, and both minorities, under this program we could work with approved lenders to expedite the loan review and approval for our loans up to \$250,000

We do not plan on using either business angels or venture capitalists as sources of funding for several reasons. First, we have a distinct view of how we want our business to operate and choose not to relinquish any managerial input to a third party. Second, both business angels and venture capitalists expect hefty returns on their investments, especially compared to banks and like most start-ups, our operations might not achieve the desired returns in the first couple of years.

## **B. Balance Sheet/Capital Equipment List**

### **OPENING DAY BALANCE SHEET**

<b>Charge</b>	<b>Cost</b>	<b>Notes</b>
Rent	\$ 126,000.00	First and last month plus an additional month (two month build-up)
Buffet Bars/Serving Trays/Drink Display	\$ 7,854.00	Four buffets (\$1750 each) and one drink display (\$854)
Containers/Plastic Silverware/Napkins	\$ 900.00	-1.5 weeks worth of containers = 3000 qty. - 250 qty. per case * \$63.45/case = \$761 -\$139 for plastic silverware and napkins
Food	\$ 5,200.00	One week's worth of average cost of goods sold
Telephone/Internet	\$ 75.00	Basic business system (not doing call-in orders so fairly simple)
Insurance (prepaid for year)	\$ 8,000.00	Based on estimate from current restaurant owner
Lawyer Fees	\$ 1,500.00	To help set-up LLC
Licensing/Permits	\$ 552.00	Based on calculations from D.C. Chamber of Commerce
Promotional Materials/Signage	\$ 1,500.00	Cost of window displays, paper advertisements, promotional giveaways, radio announcements
Tables and Chairs	\$ 5,040.00	Seating for 48 with 12 four-person tables
Cash Register	\$ 200.00	Basic machine – only have four fixed prices (small, medium, large, drink)
Refrigerator	\$ 4,060.00	Two refrigerators at \$2,030 each (five-year warranty)
Microwave	\$ 240.00	Two at \$120 each
General Supplies	\$ 1,000.00	Serving utensils, garbage cans, trash bags, mops and buckets
Utilities	\$ 1,000.00	Two month's worth to cover the two month set-up timeframe
Bank Fees	\$ 1,000.00	To arrange loan, set up business account
Leasehold Improvements/Renovations	\$ 3,000.00	Hope to minimize expenses by moving into a space previously occupied by a similar business
Décor/Interior Design	\$ 2,000.00	Re-painting/designing interior to match our purple/orange/green color scheme
Computer	\$ 1,200.00	Basic desktop with extended warranty
Hiring Costs ("for hire" ads and selection	\$ 200.00	Cost of "For Hire" advertisements and selection process
<b>TOTAL</b>	<b>\$ 170,521.00</b>	

As seen above in our opening day balance sheet, before we even open for business we will need at least \$170,000 to cover our initial capital costs. These include all costs related to the hiring of personnel, office space and equipment, equipment, utilities, marketing, and any other fees associated with generating our initial product rollout. For our business, that also includes the food supplies necessary for the first week. Though our cash flow and profit/loss projections below take into account the cost of repaying this debt within 5 years (see Amortization Schedule in Section 7), we plan to open a line of credit with the bank in case our estimated sales and costs are inaccurate. As is we are projecting a loss the first three months of operation and will need to ensure our suppliers/creditors that we are not insolvent. If we do use any money from this line of credit it will mean increasing our debt, thereby increasing

our monthly expenses to retire the debt and lowering our net profits.

As stated earlier, we also plan to solicit “love money” from our friends and families. These outright gifts, loans, and/or investments will provide us our initial cash we will keep to further shield against future losses or unexpected expenses. For the first couple of years we plan to retain any net profits as cash in order to further increase this account. As we become more profitable, we will begin repaying these loans.

### C. *Income Projections*

Hours of Operation	11:00-12:00	12:00-1:00	1:00-2:00	2:00-3:00	3:00-4:00	4:00-5:00	5:00-6:00	6:00-7:00
# Customers	60	80	70	50	30	40	40	30
Small (20%)	12	16	14	10	6	8	8	6
Medium (50%)	30	40	35	25	15	20	20	15
Large (30%)	18	24	21	15	9	12	12	9
Drinks	50%	75%	75%	35%	35%	35%	35%	35%

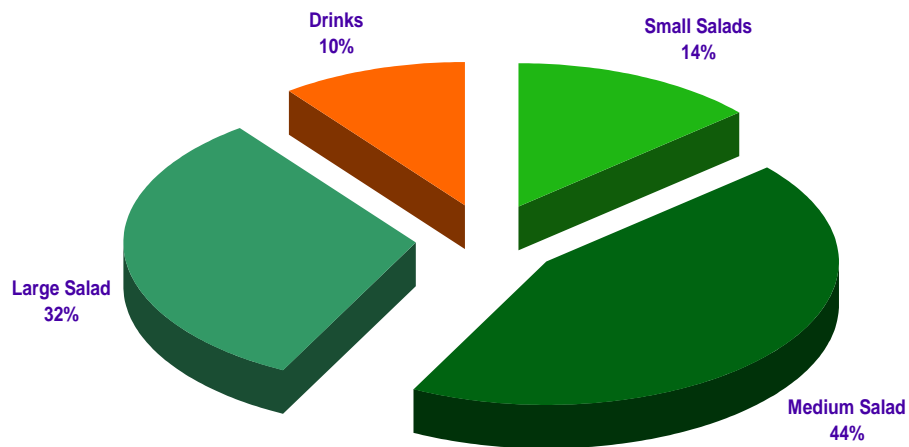
Prices	
Small	\$7
Medium	\$9
Large	\$11
Drinks	\$2

Sales									Daily Sales	Monthly Sales	Annual Sales
Small	\$84	\$12	\$98	\$70	\$42	\$56	\$56	\$42	\$ 560	\$ 11,200	\$ 145,600
Medium	270	360	315	225	135	180	180	135	\$1,800	\$ 36,000	\$ 468,000
Large	198	264	231	165	99	132	132	99	\$1,320	\$ 26,400	\$ 343,200
Total Salad Sales	552	736	644	460	276	368	368	276	\$3,689	\$ 73,780	\$ 959,140
Drinks	60	120	105	35	21	28	28	21	\$ 418	\$ 8,360	\$ 108,680
Total Up2U Sales	612	856	749	495	297	396	396	297	\$4,107	\$ 82,140	\$1,067,820

As you can see above, we forecast serving 400 customers daily with a majority coming in during the lunch period from 11 AM – 3 PM. Considering the number of businesses in the area we consider this a conservative estimate and daily traffic could be much higher. Also, our projected 70 customers from 5 PM – 7 PM may be lower than actual since most of our key competitors would be closed during this period. We expect many people will take advantage of our convenience rather than having to prepare a meal at home for dinner. Again though, we chose to err on the side of caution in our projections so the only way to go was up.

We also expect approximately half of our customers to choose the medium-size container, 30% to choose the largest-size, and the remaining 20% to choose the smallest-size. Based on our proposed pricing strategy, this equates to an estimated daily sales total for salads of nearly \$3,700. Drink sales are also expected to peak during the lunch period and taper off as the day goes on. People are more likely to run in and prepare a salad to eat when they get home from work where they likely have their own drinks. Even so, drink sales add an additional \$418 in daily sales bringing our total daily sales to over \$4,100. The chart below breaks down our projected sales by product source.

## *Up 2 U Sales by Product*



## D. Monthly and Annual Income Statements

Includes Break Even Analysis

	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	2006
<b>Sales</b>	<b>\$79,100</b>	<b>\$79,100</b>	<b>\$79,100</b>	<b>\$84,600</b>	<b>\$84,600</b>	<b>\$84,600</b>	<b>\$84,600</b>	<b>\$84,600</b>	<b>\$84,600</b>	<b>\$79,100</b>	<b>\$79,100</b>	<b>\$79,100</b>	<b>\$982,200</b>
Direct Cost of Sales	\$20,425	\$20,425	\$20,425	\$21,850	\$21,850	\$21,850	\$21,850	\$21,850	\$21,850	\$20,425	\$20,425	\$20,425	\$253,650
Other Costs of Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Cost of Sales</b>	<b>\$20,425</b>	<b>\$20,425</b>	<b>\$20,425</b>	<b>\$21,850</b>	<b>\$21,850</b>	<b>\$21,850</b>	<b>\$21,850</b>	<b>\$21,850</b>	<b>\$21,850</b>	<b>\$20,425</b>	<b>\$20,425</b>	<b>\$20,425</b>	<b>\$253,650</b>
<b>Gross Margin</b>	<b>\$58,675</b>	<b>\$58,675</b>	<b>\$58,675</b>	<b>\$62,750</b>	<b>\$62,750</b>	<b>\$62,750</b>	<b>\$62,750</b>	<b>\$62,750</b>	<b>\$62,750</b>	<b>\$58,675</b>	<b>\$58,675</b>	<b>\$58,675</b>	<b>\$728,550</b>
Gross Margin %	74.18%	74.18%	74.18%	74.17%	74.17%	74.17%	74.17%	74.17%	74.17%	74.18%	74.18%	74.18%	74.18%
<b>Expenses:</b>													
Payroll	\$8,970	\$8,970	\$8,970	\$8,970	\$8,970	\$8,970	\$8,970	\$8,970	\$8,970	\$8,970	\$8,970	\$8,970	\$107,640
Sales and Marketing	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200
Depreciation	\$287	\$287	\$287	\$287	\$287	\$287	\$287	\$287	\$287	\$287	\$287	\$287	\$3,444
Rent	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$504,000
Utilities	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$6,000
Insurance	\$667	\$667	\$667	\$667	\$667	\$667	\$667	\$667	\$667	\$667	\$667	\$667	\$8,004
Payroll Taxes (15%)	\$1,346	\$1,346	\$1,346	\$1,346	\$1,346	\$1,346	\$1,346	\$1,346	\$1,346	\$1,346	\$1,346	\$1,346	\$16,146
Debt Repayment	\$2,994	\$2,994	\$2,994	\$2,994	\$2,994	\$2,994	\$2,994	\$2,994	\$2,994	\$2,994	\$2,994	\$2,994	\$35,923
Credit/Debit Charges	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$25,200
<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$58,963</b>	<b>\$707,557</b>	
EBIT	(\$288)	(\$288)	(\$288)	\$3,787	\$3,787	\$3,787	\$3,787	\$3,787	\$3,787	(\$288)	(\$288)	(\$288)	\$20,993
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes Incurred	(\$86)	(\$86)	(\$86)	\$1,136	\$1,136	\$1,136	\$1,136	\$1,136	\$1,136	(\$86)	(\$86)	(\$86)	\$6,298
<b>Net Profit</b>	<b>(\$202)</b>	<b>(\$202)</b>	<b>(\$202)</b>	<b>\$2,651</b>	<b>\$2,651</b>	<b>\$2,651</b>	<b>\$2,651</b>	<b>\$2,651</b>	<b>\$2,651</b>	<b>(\$202)</b>	<b>(\$202)</b>	<b>(\$202)</b>	<b>\$14,695</b>
<b>Net Profit/Sales</b>	<b>-0.25%</b>	<b>-0.25%</b>	<b>-0.25%</b>	<b>3.13%</b>	<b>3.13%</b>	<b>3.13%</b>	<b>3.13%</b>	<b>3.13%</b>	<b>3.13%</b>	<b>-0.25%</b>	<b>-0.25%</b>	<b>-0.25%</b>	<b>1.50%</b>



## **i. Notes of Explanation**

### Explanation of Pro Forma Expenses

#### Sales

- Average monthly sales forecasted: \$73,780 for salads and \$8,360 for drinks
- Based on seasonality, expect higher sales in Q2 and Q3, lower sales in Q1 and Q4
  - o Q2 and Q3
    - \$76,000 salads and \$8600 drinks for total monthly sales of \$84,600
  - o Q1 and Q4
    - \$71,000 salads and \$8100 drinks for total monthly sales of \$79,100

#### Direct Cost of Sales

- According to proxy company's (FreshChoice) annual report, cost of goods sold for their salad bar is 22.1% of sales. To be conservative, we calculated costs at 25% of sales to account for higher locality costs and cost of containers.
- Also, we forecast the cost for each drink as \$0.66 based on wholesale prices.
- Taking seasonality into account we forecast Direct Cost of Sales to be:
  - o Q2 and Q3
    - \$19,000 salads and \$2850 drinks for total monthly sales of \$21,850
  - o Q1 and Q4
    - \$17,750 salads and \$2675 drinks for total monthly cost of \$20,425

#### Payroll

- Total monthly payroll: \$8,970
  - o Full-time store manager annual salary of \$36,000 - monthly expense \$3,000
  - o Part-time assistant manager working 6 hours/day at \$13/hour – monthly expense \$1560
  - o Four part-time crew members (food prep, cashier, janitor) working in 4-5 hour shifts for a total of 19 hours/day at \$7.50/hour – monthly expense \$4,410

#### Sales and Marketing: \$100/month

- For flyers and store-front displays

#### Depreciation: \$287/month

- Five-year straight-line depreciation of our equipment (buffet tables, refrigerators, tables and chairs, microwaves, etc.) See Attached Amortization Schedule in Section 7

#### Rent: \$42,000/month

- Based on a 1200 sq. ft. space at average rental cost of \$35/sq. ft.

#### Utilities: \$500/month

- Estimate for electricity, water, heat, and trash removal

#### Insurance: \$667/month

- Based on \$8000 per year

#### Payroll Taxes: \$1,346/month

- Based on a 15% payroll tax

#### Debt Repayment: \$2,993.62

- Since most banks require you to put down at least 10% in equity (\$17,000), our monthly payment is based on a 5-year loan at 6.5% with an initial loan amount of \$153,000.

#### Credit/Debit Charges: \$2,100

- We predict 75% of customers will pay using either a credit or debit card. We also assume it will be an even split between the two methods. Therefore with 8000 customers/month (400 per day), that is 3000 debit sales and 3000 credit sales per month.
- Companies charge differently for each:
  - o Debit card - \$0.50/processing
  - o Credit card – 2% of total cost of sale
- We forecast an average total sale of \$10 so an average credit card processing charge of \$0.20/transaction
- Therefore monthly processing fees are:
  - o Debit – 3000 transactions \* \$0.50/transaction = \$1500
  - o Credit – 3000 transactions \* \$0.20/transaction = \$600
  - o Total - \$1500 + \$600 = \$2100

#### Taxes Incurred

- Based on 30% tax rate

## 7. Supporting Documents

## **APPENDIX: LEGAL**

### **1. Articles of Organization**

#### Expl ARTICLES OF ORGANIZATION

Pursuant to Title 29, Chapter 10 of the District of Columbia Code (the D.C. Limited Liability Company Act of 1994), the organizer(s) named below adopt the following Articles of Organization:

FIRST: The name of this limited liability company shall be Up2U, LLC.

SECOND: The effective date of these articles shall be December 15, 2005.

THIRD: The period of duration of this limited liability company shall be perpetual.

FOURTH: The purpose(s) for which this limited liability company has been organized is to open a limited service restaurant.

FIFTH: The address of this limited liability company's registered office in the

District of Columbia is 123 Fake St NW, 20229.

SIXTH: The name of the limited liability company's registered agent in the District is Teresa David. This agent's consent to act as registered agent for the company is evidenced in the attached executed "Written Consent To Act As Registered Agent."

SEVENTH: The organizers reserve the right to amend these Articles with a majority vote.

EIGHTH: The number of organizers of this company is 3.

The names and address of the organizers are:

Sonia Julka  
111 Fake St, NW  
Washington, D.C. 20229

Mark Wilson  
110 Fake St, NW  
Washington, D.C. 20229

Teresa David  
123 Fake St, NW  
Washington, D.C. 20229

Up2U

DATE: \_\_\_\_20\_\_\_\_

BY: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## 2. Written Consent to Act as Registered Agent



Government  
Of the District of Columbia  
DCRA  
Corporations Division  
P.O. Box 92300  
WASHINGTON, D.C. 20090

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS  
BUSINESS AND PROFESSIONAL LICENSING ADMINISTRATION  
CORPORATIONS DIVISION

### WRITTEN CONSENT TO ACT AS REGISTERED AGENT

TO:  
The Superintendent of Corporations  
Department of Consumer and Regulatory Affairs  
Business and Professional Licensing Administration,

**(A) BY A DISTRICT OF COLUMBIA RESIDENT**  
PURSUANT TO D.C. CODE TITLE 29, and TITLE 41  
I,

\_\_\_\_\_  
A Bona fide Resident of the District of Columbia Herein Consent to Act as a Registered Agent For:

\_\_\_\_\_  
Name of Business  
SIGNATURE OF REGISTERED AGENT

\_\_\_\_\_  
DATE: \_\_\_\_\_  
**(B) BY A LEGALLY AUTHORIZED CORPORATION**  
THE CORPORATION HEREIN NAMED IS:

\_\_\_\_\_  
An Authorized Corporate Registered Agent in the District of Columbia, per Signatures of its President/Vice-President and Secretary/Assistant Secretary, Herein Consents to Act as Registered Agent  
For:

\_\_\_\_\_  
NAME OF COMPANY  
SIGNATURE: \_\_\_\_\_ OF PRESIDENT OR VICE-  
PRESIDENT  
ATTEST: \_\_\_\_\_ OF SECRETARY OR ASSISTANT  
SECRETARY  
DATE: \_\_\_\_\_

**For General Information Call:**  
**The Corporations Division - (202) 442-4432**

**Please check our corporate website to view organizations required to register, to search business names, to obtain step-by-step guidelines to register an organization,**

to search registered organizations, and to download forms and documents. Simply log onto our website at [www.dcrd.dc.gov](http://www.dcrd.dc.gov), click on “Corporate Registrations” and procedure as prompted.

To ensure timely and accurate processing of this document, mail all required forms and payment to:

Department of Consumer and Regulatory Affairs  
Corporations Division  
P.O. Box 92300  
Washington, D.C. 20090

### 3. Basic Business License Application



Please Read Instructions Carefully Before Completing this Application.

**Applicant:** Submit signed application, required forms and check made payable to "DC Treasurer" for all applicable fees to:  
Department of Consumer and Regulatory Affairs, Basic Business Licensing Program, P.O. Box 93160, Washington, DC 20090

#### SECTION A: BUSINESS / APPLICANT INFORMATION

Please check box if Sole Proprietorship

For Office Use

Customer Number .....

1. Business Owner (If Sole Proprietor, print Business Owner's Name. If Corporation, Limited Liability Company, or Partnership, print official Company Name to be licensed)

1a. Federal ID No. .... Indicate Federal ID No. Type Indicated: FEIN No. Social Security No.

1b. Trade Name if Applicable (see Instructions) .....

2. Business Address (If this is a Corporation, LLC or Partnership, please provide address of the company's main headquarters here)

2a. Street Address ..... Suite or Apartment No. ....

City ..... State ..... Zip .....

2b. Telephone Number (.....) ..... 2c. E-Mail Address .....

#### SECTION A-1: OFFICERS, PARTNERS, MEMBERS

Must be completed by all Corporations, Partnerships, Limited Liability Companies, or Unincorporated Associations

Check box applicable to your business organizational structure: Partnership Limited Liability Company Corporation (For Profit) Corporation (Non-Profit)

3. President / Partner / Member :

3a. Name ..... First Name ..... M.I. .... Last Name .....

3b. Street Address .....

3c. City ..... State ..... Zip .....

3d. Telephone Number (.....) ..... 2c. E-Mail Address .....

4. Vice President / Partner / Member:

4a. Name ..... First Name ..... M.I. .... Last Name .....

4b. Street Address .....

4c. City ..... State ..... Zip .....

4d. Telephone Number (.....) ..... 2c. E-Mail Address .....

5. Secretary / Treasurer / Member:

5a. Name ..... First Name ..... M.I. .... Last Name .....

5b. Street Address .....

5c. City ..... State ..... Zip .....

5d. Telephone Number (.....) ..... 2c. E-Mail Address .....

## 4. Application for Employer Identification Number

Form <b>SS-4</b> (Rev. December 2001) Department of the Treasury Internal Revenue Service	<b>Application for Employer Identification Number</b> (For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.) <b>▶ See separate instructions for each line. ▶ Keep a copy for your records.</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">EIN</td> </tr> <tr> <td style="text-align: center;">OMB No. 1545-0003</td> </tr> </table>	EIN	OMB No. 1545-0003
EIN				
OMB No. 1545-0003				

Type or print clearly.	1 Legal name of entity (or individual) for whom the EIN is being requested		
	2 Trade name of business (if different from name on line 1)	3 Executor, trustee, "care of" name	
	4a Mailing address (room, apt., suite no. and street, or P.O. box)	5a Street address (if different) (Do not enter a P.O. box.)	
	4b City, state, and ZIP code	5b City, state, and ZIP code	
	6 County and state where principal business is located		
	7a Name of principal officer, general partner, grantor, owner, or trustor	7b SSN, ITIN, or EIN	
	8a <b>Type of entity</b> (check only one box) <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Sole proprietor (SSN) _____  <input type="checkbox"/> Partnership  <input type="checkbox"/> Corporation (enter form number to be filed) ▶ _____  <input type="checkbox"/> Personal service corp.  <input type="checkbox"/> Church or church-controlled organization  <input type="checkbox"/> Other nonprofit organization (specify) ▶ _____  <input type="checkbox"/> Other (specify) ▶ _____           </div> <div style="width: 45%;"> <input type="checkbox"/> Estate (SSN of decedent) _____  <input type="checkbox"/> Plan administrator (SSN) _____  <input type="checkbox"/> Trust (SSN of grantor) _____  <input type="checkbox"/> National Guard <input type="checkbox"/> State/local government  <input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government/military  <input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises  <input type="checkbox"/> Group Exemption Number (GEN) ▶ _____           </div> </div>		
8b If a corporation, name the state or foreign country (if applicable) where incorporated		State _____ Foreign country _____	
9 <b>Reason for applying</b> (check only one box) <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Started new business (specify type) ▶ _____  <input type="checkbox"/> Hired employees (Check the box and see line 12.)  <input type="checkbox"/> Compliance with IRS withholding regulations  <input type="checkbox"/> Other (specify) ▶ _____           </div> <div style="width: 45%;"> <input type="checkbox"/> Banking purpose (specify purpose) ▶ _____  <input type="checkbox"/> Changed type of organization (specify new type) ▶ _____  <input type="checkbox"/> Purchased going business  <input type="checkbox"/> Created a trust (specify type) ▶ _____  <input type="checkbox"/> Created a pension plan (specify type) ▶ _____           </div> </div>			
10 Date business started or acquired (month, day, year)		11 Closing month of accounting year	
12 First date wages or annuities were paid or will be paid (month, day, year). <b>Note:</b> If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (month, day, year) . . . . . ▶			
13 Highest number of employees expected in the next 12 months. <b>Note:</b> If the applicant does not expect to have any employees during the period, enter "-0-." . . . . . ▶		Agricultural Household Other <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
14 Check <b>one</b> box that best describes the principal activity of your business. <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Construction <input type="checkbox"/> Rental &amp; leasing  <input type="checkbox"/> Real estate <input type="checkbox"/> Manufacturing <input type="checkbox"/> Finance &amp; insurance           </div> <div style="width: 30%;"> <input type="checkbox"/> Health care &amp; social assistance  <input type="checkbox"/> Accommodation &amp; food service  <input type="checkbox"/> Other (specify) _____           </div> <div style="width: 30%;"> <input type="checkbox"/> Wholesale-agent/broker  <input type="checkbox"/> Wholesale-other <input type="checkbox"/> Retail           </div> </div>			
15 Indicate principal line of merchandise sold; specific construction work done; products produced; or services provided.			
16a Has the applicant ever applied for an employer identification number for this or any other business? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Note:</b> If "Yes," please complete lines 16b and 16c.			
16b If you checked "Yes" on line 16a, give applicant's legal name and trade name shown on prior application if different from line 1 or 2 above. Legal name ▶ _____ Trade name ▶ _____			
16c Approximate date when, and city and state where, the application was filed. Enter previous employer identification number if known. Approximate date when filed (mo., day, year) _____ City and state where filed _____ Previous EIN _____			
<b>Third Party Designee</b>	Complete this section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.		
	Designee's name	Designee's telephone number (include area code) ( )	
	Address and ZIP code	Designee's fax number (include area code) ( )	
Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.			
Name and title (type or print clearly) ▶		Applicant's telephone number (include area code) ( )	
Signature ▶		Applicant's fax number (include area code) ( )	
Date ▶			

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 16055N

Form **SS-4** (Rev. 12-2001)



## SECTION B: INFORMATION ABOUT BUSINESS PREMISE ADDRESS

6. Premise Address : Location of business operation to be licensed.

Street Address ..... Suite or Apt No. ....  
City ..... State ..... Zip .....  
6a. Quadrant (check one) NE NW SE SW 6b. Ward ..... c. ANC .....  
6d. Telephone Number (.....) ..... 6e. Facsimile No. (.....) .....  
6f. E-Mail Address .....  
6g. Certificate of Occupancy Number: ..... Date Issued .....

## SECTION C: BILLING ADDRESS (Address where Renewal Notices will be mailed)

7. Business Name (if different than on line 1)

.....  
7a. Attention (Contact Name) .....  
7b. Street Address (if different than in Section C) .....  
7c. City ..... State ..... Zip .....

## SECTION D: REGISTERED / RESIDENT AGENT

Corporations, Partnerships and Limited Liability Companies must provide Registered Agent Information.  
Non-District residents must designate a Resident Agent.

8. Contact Name ..... Title .....  
8a. Business Name .....  
8b. Street Address ..... Suite .....  
8c. City ..... State ..... Zip .....  
8d. Telephone Number (.....) ..... Business e-Mail Address .....

## SECTION E: LICENSE ENDORSEMENTS (Business Activities)

Please list all applicable business activities and NAICS Code. Select from accompanying *Table of Endorsement Business Activities*.

	BUSINESS ACTIVITY – LICENSE ENDORSEMENT	Related NAICS Code
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

## SECTION F: INFORMATION ABOUT BUSINESS EQUIPMENT, MACHINERY, & FACILITIES

Please provide information about your business pertinent to your Basic Business License as may be applicable in Tables I, II and III below. If more space is required, please attach additional paper.

**Table I. AUTOMOTIVE & OTHER EQUIPMENT**

Please provide the required information for each vehicle applicable to your business.

EQUIPMENT TYPE	Vehicle Make	Year	Identification No.	License Plate	State	Tare Weight	Capacity
Ambulance							
Tow Truck							
Solid Waste Truck							
Driving School							
Horses							
Carriages							
Additional Vehicles:							

**Table II. EATING ESTABLISHMENTS & HOUSING (Permanent & Transient)**

Indicate number of units within each establishment type applicable to your business.

TYPE	No. Rooms / Units	Restaurant Seats	Resident Manager Name	Manager Telephone No.
Apartments				
Boarding / Rooming House				
Restaurant				
Hotel / Motel				
Other				

**Table III. OPERATING MACHINERY, EQUIPMENT & FACILITIES, AND PARKING LOTS**

Please check all equipment that applies to your business activity and indicate number of units. Each of these is considered a separate endorsement.

EQUIPMENT	No. Units	EQUIPMENT	No. Units
Pool (swimming)		Slot Weighing Machines	
Bowling Alley (lanes)		Vending Machines – Cigarettes	
Billiard Tables		Vending Machines – Food	
Amusement (Mechanical) Machines		Gasoline Dispensing Hoses	
Game Boards / Tables		Bulk Fuel Meter Device(s)	
Coin Operated Machines – Photograph, lockers, other		Bulk Fuel Storage Tank(s) – Underground	
Parking Lot (Square Feet)		Bulk Fuel Storage Tank(s) – Above Ground	
Home Improvement Contractor Permit Number			

## SECTION G: INFORMATION ABOUT EMPLOYEE (Employer to Complete & Sign this Section)

**8. Name of Company** (of Employees to be Licensed)

.....

8a. Company FEIN / UI Number (if applicable) .....

8b. Company Street Address .....

City ..... State ..... Zip .....

8c. Telephone Number (.....) ..... 2c. E-Mail Address .....

**9. Employee Information** (Non-Residents of the District must complete Section F indicating Resident Agent; see Instructions for more details)

9a. Employee Name (First, MI, and Last) .....

9b. Social Security No. .... 9c. Date of Birth ..... 9d. Place of Birth .....

9e. Employee Description: Height ..... Weight ..... Color of Hair ..... Color of Eyes .....

9f. Driver License No. .... State of License ..... Expiration Date .....

9g. Company Signatory ..... Print Name .....

Title (Owner/Manager): ..... Date Signed .....

---

## SECTION H: ADDITIONAL INFORMATION

Please provide any additional information about your business activities that you feel is important to this Application. Include any descriptions that may not be covered in Section F above or Table of Endorsement Business Activities.

---

## SECTION I: APPLICANT'S SIGNATURE

Please be sure to include all required forms and payment of all required fees (refer to the Instructions Section and Table of License and Endorsement Fees) for calculating your payment. Make check or Money Order payable to the "DC Treasurer".

To ensure timely and accurate processing of your Basic Business License application, mail all required forms and payment to:

Department of Consumer and Regulatory Affairs  
Business Licensing Program  
P.O. Box 93160  
Washington, DC 20090

I hereby submit this Application, required forms and payment in the amount of \$..... for consideration of a Basic Business License based on the information contained herein.

Applicant's Signature ..... Date .....

## 5. Application for Certificate of Occupancy

<b>DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS</b> <b>BUILDING AND LAND REGULATION ADMINISTRATION</b> <b>APPLICATION FOR CERTIFICATE OF OCCUPANCY</b>	
<div style="display: flex; justify-content: space-between;"> <span>Date _____</span> <span>Receipt No. _____</span> </div> <div style="display: flex; justify-content: space-between;"> <span>Application Fee \$33.00 Non Refundable Certificate Fee is Based on square footage</span> <span>Cashier=s No. _____</span> </div>	
<b>INFORMATION ON PROPOSED BUSINESS</b>	1. Premise Address _____ Suite/Room No _____ 2. Business Telephone No. _____ Fax No. _____ Lot _____ Square _____ 3. Trade Name of Business _____ 4. Is Business Incorporated? Y/N _____ Partnership? Y/N _____ Sole Proprietor? Y/N _____ New/Existing _____ 5. Corporate Name _____ 6. President _____ Vice President _____ Secretary _____ 7. Sole Proprietor _____ 8. Business Owner=s Mailing Address _____ phone # (daytime) _____
<b>INFORMATION ON OCCUPANCY</b>	9. <input type="checkbox"/> Ownership Change <input type="checkbox"/> Partial Occupancy <input type="checkbox"/> New Bldg. <input type="checkbox"/> Use change <input type="checkbox"/> Load Change <input type="checkbox"/> B.Z.A. No. _____ 10. Proposed Use of Premises _____ 11. Prior Use of Premises _____ 12. Proposed Occupancy Load _____ Square Feet Occupied _____ 13. Floors to be Occupied _____ Basement ? <input type="checkbox"/> Yes <input type="checkbox"/> No 14. Is this Business Sexually Oriented according to the DC Zoning Regulations ? <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>INFORMATION ON ENTIRE BUILDING</b>	15. Building Owner _____ Telephone No. _____ 16. Building Owner=s Address: _____ 17. Square feet _____ Numbers of floors _____ Basement _____
<b>ATTESTATION &amp; SIGNATURE</b>	<p>I certify that all of the statements on this application are true to the best of my knowledge and belief. I agree to comply with all applicable laws and regulations of the District of Columbia.</p> 18. Owner of Business _____ Date _____ <div style="text-align: center;">Signature</div> <p style="text-align: center;"><b>If Authorized Agent for owner of Business (Attach Authorization)</b></p> 19. Agent=s Name _____ Date _____ <div style="display: flex; justify-content: space-between;"> <span>Print Clearly</span> <span>Signature</span> </div> 20. Agent=s Address _____

Visit our website [www.dcr.org/permits](http://www.dcr.org/permits) for permit applications.

## 6. Clean Hands Certification



**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS  
BUSINESS AND PROFESSIONAL LICENSING ADMINISTRATION**

**CLEAN HANDS SELF CERTIFICATION**

**TO THE APPLICANT:** Please read this form carefully and completely before signing. The District government shall not issue or reissue any license or permit if the applicant owes more than \$100.00 in outstanding debt to the District of Columbia. This certification form is required to be completed and submitted with any application for a license or permit or renewal by the *Clean Hands Before Receiving a License or Permit Act of 1996*, effective May 11, 1996 (D.C. Law 11-118, D.C. Code Sec. 47-2861 et seq.) as amended, effective October 21, 2000 (D.C. Law 13-183, sec. 2(b), D.C. Code sec. 47-2861 et seq.).

I, \_\_\_\_\_, as \_\_\_\_\_, certify that \_\_\_\_\_  
(name) (owner/partner/corporate officer) (business name)  
trading as \_\_\_\_\_ at \_\_\_\_\_, using business tax number \_\_\_\_\_.  
(trade name) (business address) (FEIN/SSN)

as of this date, does not owe more than one hundred dollars (\$100.00) in outstanding debt to the District of Columbia government as a result of:

- (1) Fines, penalties or interest assessed pursuant to the Litter Control Administration Act of 1985, effective March 25, 1986 (D.C. Law 6-100; D.C. Code Sec. 8-801 (et. seq.) (2001 ed.); or
- (2) Fines, penalties or interest assessed pursuant to the Illegal Dumping Enforcement Act of 1994, effective May 20, 1994 (D.C. Law 10-117; D.C. Code Sec. 8-901 (et. seq.) (2001 ed.); or
- (3) Fines, penalties or interest assessed pursuant to the Department of Consumer and Regulatory Affairs Civil Infraction Act of 1985, effective October 5, 1985 (D.C. Law 6-42; D.C. Code Sec. 2-1801.01 (et. seq.) (2001 ed.); or
- (4) Past Due Taxes owed to the Office of Tax and Revenue pursuant to Title 47 of the DC Code; or
- (5) Past due District of Columbia Water and Sewer Authority service fees pursuant to Title 34 Chapter 22 and 24 of the District of Columbia Code (2001 ed.); or
- (6) Fines, penalties or interest assessed pursuant to Traffic Adjudication Act, Title 50 Chapter 23 of the District of Columbia Code (2001 ed.).

I understand that a signed and dated *Clean Hands Self Certification Form* is required as documentation to accompany my application for a master business license, license endorsements, and permits. I understand that by completing and submitting this form I am not guaranteed that my license or permit will be approved.

I understand that the Department of Consumer and Regulatory Affairs may conduct an investigation to ascertain the veracity of the information contained in this *Clean Hands Self Certification Form*.

I understand that if I knowingly provide false information on this *Clean Hands Self Certification Form*, the Department of Consumer and Regulatory Affairs will proceed immediately to revoke each license or permit for which I am applying and fine me one thousand dollars (\$1,000.00).

\_\_\_\_\_  
Signature and Title

\_\_\_\_\_  
FEIN/SSN

\_\_\_\_\_  
Date

For assistance with this form please call (202) 442-4311.

(Rev 5/28/02)

## 7. Insurance Definitions

### **STANDARD COVERAGE**

**GENERAL LIABILITY:** Will pay those sums that the insured becomes legally obligated to pay as damages because of a lawsuit or claim involving accidental bodily injury or property damage on the insured's premise during the normal course of business. Typically this includes legal defense cost.

**PROPERTY/CONTENTS:** Will pay for direct physical loss of damage to covered unattached physical items such as tables, chairs, inventory, etc. located at the insured's premises, and caused by or resulting from any covered causes of loss, such as Fire, Theft, Windstorm, etc.

**PROPERTY/TENANT IMPROVEMENT:** Will pay for direct physical loss or damage to covered attached physical property which was originally paid for by the tenant.

**PROPERTY/BUILDING:** Will pay for direct physical loss or damage to a covered building from a covered peril such as Fire, Theft, Windstorm, etc.

### **OPTIONAL COVERAGE**

**GLASS:** Coverage provided for broken or damaged glass windows and doors. Glass is not covered under a typical Property/Building policy unless items are specifically listed.

**WORKERS' COMPENSATION:** Can be required by state law. Provides coverage for your employees and other independent contractors, if they are injured on the job.

**MONEY & SECURITIES:** Theft of money & securities by holdup or theft. Coverage is on and off premise. Cash money is typically not covered under your Property/Content policy.

**LOSS OF EARNINGS:** Will pay for the actual losses sustained due to the necessary suspension of your operations from a covered peril, during a specified period of restoration.

**ACCIDENTAL MEDICAL:** Provides medical reimbursement expense for accidental injury; Employees, Spectators, Participants, Volunteers, and Performers may be insured.





## Appendix: Financials

### 1. Amortization Schedule for 5-year Loan at 6.5%

Price	\$170,000		
Down payment	\$17,000.0		
Loan Amount	\$153,000.0		
Loan duration	60		
Interest	6.50%	PMT	\$2,993.62
Monthly Interest	0.5417%	PVIFA	51.10867958

Period	Beginning Balance	Interest	Payment	Principle Repayment	Ending Balance
1	\$ 153,000.00	\$ 828.75	\$ 2,993.62	\$ 2,164.87	\$ 150,835.13
2	\$ 150,835.13	\$ 817.02	\$ 2,993.62	\$ 2,176.60	\$ 148,658.53
3	\$ 148,658.53	\$ 805.23	\$ 2,993.62	\$ 2,188.39	\$ 146,470.15
4	\$ 146,470.15	\$ 793.38	\$ 2,993.62	\$ 2,200.24	\$ 144,269.90
5	\$ 144,269.90	\$ 781.46	\$ 2,993.62	\$ 2,212.16	\$ 142,057.75
6	\$ 142,057.75	\$ 769.48	\$ 2,993.62	\$ 2,224.14	\$ 139,833.60
7	\$ 139,833.60	\$ 757.43	\$ 2,993.62	\$ 2,236.19	\$ 137,597.42
8	\$ 137,597.42	\$ 745.32	\$ 2,993.62	\$ 2,248.30	\$ 135,349.11
9	\$ 135,349.11	\$ 733.14	\$ 2,993.62	\$ 2,260.48	\$ 133,088.64
10	\$ 133,088.64	\$ 720.90	\$ 2,993.62	\$ 2,272.72	\$ 130,815.91
11	\$ 130,815.91	\$ 708.59	\$ 2,993.62	\$ 2,285.03	\$ 128,530.88
12	\$ 128,530.88	\$ 696.21	\$ 2,993.62	\$ 2,297.41	\$ 126,233.46
13	\$ 126,233.46	\$ 683.76	\$ 2,993.62	\$ 2,309.86	\$ 123,923.61
14	\$ 123,923.61	\$ 671.25	\$ 2,993.62	\$ 2,322.37	\$ 121,601.24
15	\$ 121,601.24	\$ 658.67	\$ 2,993.62	\$ 2,334.95	\$ 119,266.29
16	\$ 119,266.29	\$ 646.03	\$ 2,993.62	\$ 2,347.59	\$ 116,918.70
17	\$ 116,918.70	\$ 633.31	\$ 2,993.62	\$ 2,360.31	\$ 114,558.39
18	\$ 114,558.39	\$ 620.52	\$ 2,993.62	\$ 2,373.10	\$ 112,185.29
19	\$ 112,185.29	\$ 607.67	\$ 2,993.62	\$ 2,385.95	\$ 109,799.34
20	\$ 109,799.34	\$ 594.75	\$ 2,993.62	\$ 2,398.87	\$ 107,400.47
21	\$ 107,400.47	\$ 581.75	\$ 2,993.62	\$ 2,411.87	\$ 104,988.60
22	\$ 104,988.60	\$ 568.69	\$ 2,993.62	\$ 2,424.93	\$ 102,563.67
23	\$ 102,563.67	\$ 555.55	\$ 2,993.62	\$ 2,438.07	\$ 100,125.60
24	\$ 100,125.60	\$ 542.35	\$ 2,993.62	\$ 2,451.27	\$ 97,674.33
25	\$ 97,674.33	\$ 529.07	\$ 2,993.62	\$ 2,464.55	\$ 95,209.77
26	\$ 95,209.77	\$ 515.72	\$ 2,993.62	\$ 2,477.90	\$ 92,731.87
27	\$ 92,731.87	\$ 502.30	\$ 2,993.62	\$ 2,491.32	\$ 90,240.55
28	\$ 90,240.55	\$ 488.80	\$ 2,993.62	\$ 2,504.82	\$ 87,735.73
56	\$ 14,727.91	\$ 79.78	\$ 2,993.62	\$ 2,913.84	\$ 11,814.07
57	\$ 11,814.07	\$ 63.99	\$ 2,993.62	\$ 2,929.63	\$ 8,884.44
58	\$ 8,884.44	\$ 48.12	\$ 2,993.62	\$ 2,945.50	\$ 5,938.94
59	\$ 5,938.94	\$ 32.17	\$ 2,993.62	\$ 2,961.45	\$ 2,977.49
60	\$ 2,977.49	\$ 16.13	\$ 2,993.62	\$ 2,977.49	\$ (0.00)



## 2. Furniture Samples and Descriptions

Island Style Cluster Seating with (4) Swivel Chairs per 42" Table \$420

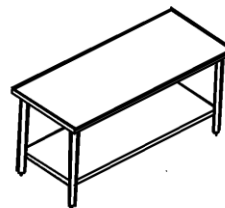


**J4S-RR-40B**, 49.6" w Cold-Tech Refrigerator \$2,030  
40 cu. ft. Stainless Restaurant Refrigerator

**SCR-1150** - 10.6 cu. ft., Summit Glass Door White Refrigerator \$854  
61"H x 24"w x 24"D, 5 adj. Shelves, Reversible Door, w/ Lock

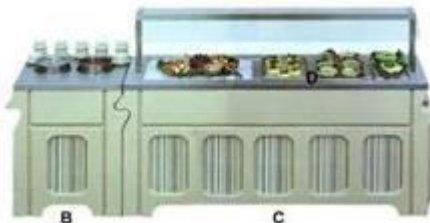


8' x 24" Stainless Steel Table w/ Galvanized Legs  
Under Shelving \$275



79" Refrigerated Salad Bar and Cold Food Module,

**\$1700**





THE GEORGE WASHINGTON UNIVERSITY

SCHOOL OF  
BUSINESS

DEPARTMENT OF MANAGEMENT

### 3. Employee Shifts and Pay Table

Shifts	9:30	10:30	11:30	12:30	13:30	14:30	15:30	16:30	17:30	18:30	19:30
Store Manager (annual salary \$36K)											
Assistant Manager (\$13/hour)											
Crew#1 (\$7.50/hour)											
Crew#2 (\$7.50/hour)											
Crew#3 (\$7.50/hour)											
Crew#4 (\$7.50/hour)											

For Hourly Employees:

Hours per Day	Salary/hour	Daily Pay	Monthly Pay
6	\$ 13.00	\$ 78.00	\$ 1,560.00
5	\$ 7.50	\$ 37.50	\$ 750.00
5	\$ 7.50	\$ 37.50	\$ 750.00
5	\$ 7.50	\$ 37.50	\$ 750.00
5	\$ 7.50	\$ 37.50	\$ 750.00
	<b>TOTAL</b>	\$ 228.00	\$ 4,560.00



# TAB B



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DEPARTMENT OF MANAGEMENT

## **Appendix B**

### **Scenario 1 for Student Team Response**

## **Appendix B**

### **UP 2 You**

### **Scenario 1**

Your business has been opened since January 1, 2008. Things seem to be going well until a DC Health inspector paid you a surprise visit on September 1, 2008 and cites you for various health code violations and states that the DC Health Department claims you failed to file the proper documentation as an eating and drinking establishment. On top of all this, one of your customers becomes ill from a lunch item and threatens to sue you. Another customer claims to have seen roaches running on the floor.

You find out that your lawyer, your partner's cousin, a recently graduated law student, failed to properly file the paper work to incorporate your business. On top of all this, one of your partners, not the cousin of the lawyer, believes that an LLC may not be the best legal structure for the business. You have ten days to deal with, and solve these issues.

Type your action steps to all the issues presented including any support documentation and submit them by 10-1-08.



**TAB C**



THE GEORGE WASHINGTON UNIVERSITY  
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BUSINESS

DEPARTMENT OF MANAGEMENT

## **Appendix C**

### **Scenario 2 for Student Team Response**



## **Appendix C**

### **UP 2 You**

### **Scenario 2**

Scenario 2: Business is showing an increase in sales, so you decide that you need to increase your business' visibility and generate even more sales. You read a trade book on guerilla marketing and decide to implement a variety of tactics, strategies that with minimal costs should reap major dividends.

- Select the various guerilla marketing and other marketing tactics you believe will increase your business sales.
- Develop a matrix showing the cost benefit analysis for each tactic.
- If you decide to develop a new advertising copy show an example of the copy as well as an analysis of the cost and benefits of specific media.
- If you develop a new web site show the home page.
- What customer service practices can you immediately develop?
- Remember your budget for advertising/ marketing is limited

You have two weeks to deal with, and solve these issues. Type your action steps to all the issues presented including any support documentation and submit them by 10-15-08.

Catherine Chae  
Dameon Philpotts  
Kadiatou Sidibe  
Small Business Management, MGT 292

## **SPECIFIC GUERILLA MARKETING TACTICS**

### **1. Branding Strategy and Competitive Advantage**

- We will implement a **building discount strategy**. We will contact buildings' managers from all the buildings on our block and offer special discounts. We will offer up to 10% off for all the workers in each building that print out the emailed coupon we will create with the building manager. On Mondays customers from building A will receive the discount, Tuesdays customers from building B will receive it, etc.... We will then collect participation information and store in the database. Data mining will be conducted to assess and rank buildings by number of customers. This will allow us to differentiate the buildings where most of our customers work, and we will be able to provide them with even more focused/customized services. We will run this promotion once a month.
- **COST:** We anticipate that this will bring us 30 additional customers each day of the promotion. We have a daily average revenue per customer of \$9.22 ( $\$3689/400=\$9.22$ ). Therefore, with a 10% discount, the daily cost of this marketing strategy is  $\$9.22*30*.10=\$27.66$  and the daily additional revenue would be  $\$9.22*30*.90=\$248.94$ .
- **BENEFIT:** We anticipate that we will be able to retain 75% of the additional customers, therefore we will attract 450 additional customers per month ( $30*5*4*.75=450$ ). This will give us a monthly revenue from new customers of  $(450*\$9.22)=\$4,149$ . Therefore the monthly benefit, if we run this promotion once every month, will be  $\$4,149-\$414.9$  (10% off)  $=\$3,734.10$ .

### **2. Connection with the Customers, Dedication to Service, Speed and Satisfaction**

- We will strive to stay connected to the customers. Being in a small business, this is very easy for us as we can talk to our customers while they are making their selection during their visit. We will conduct training of our floor personnel to that effect and have weekly meetings so that they can report suggestions / concerns from customers.
- We will also implement the customer suggestion card system. For a month, we will run 5% off meals to individuals who fill out a **suggestion card**. This will allow us to cater more conveniently to their special diet needs.
- **COST:** We estimate that we will have 25 suggestions in the box per day. This means that our monthly cost of this strategy will be:  $25*\$9.22*5*4*.05=\$230.50$ .
- **BENEFIT:** Since the suggestions made by one customer can be the opinion of more customers, we estimate that we will be able to attract at least 50 new customers. The monthly revenue of this strategy will be:  $50*9.22*5*4=\$9220.00$ , hence we will receive a monthly benefit of  $\$9,220-\$461=\$8,759.00$ .
- We will conduct **raffle tickets**, on a daily basis and for three months. There will be one winner everyday and the winner will be given a gift certificate for one free meal. There will be one winner for one free lunch.
- **COST:** The cost of such marketing strategy will be  $\$9.22*5*4*3=\$553.20$ .

- **BENEFIT:** We estimate that we will gain an additional 10 costumers per day from this marketing strategy, giving us an additional revenue of  $\$9.22 \times 10 \times 5 \times 4 \times 3 = \$5,532.00$ , leading to a benefit of  $\$5,532 - 553.2 = \$4,978.8$  for three months.

### **3. Top Quality Strategy**

- Our business has both the tangible (food/menu) and intangible (service). Therefore it is important to receive information about both aspects of the business. The suggestion box strategy will allow us to collect information about our customers' feelings about both our product and services.

### **4. Convenience**

- We will leverage on our position in the Golden Triangle. In the heart of DC, we are available for both lunch, when offices are open for business, and dinner, after working hours up to 7:00PM.
- We have healthy fast food conveniently color coded system that makes the daily selection easy for our costumers.

### **IMMEDIATE COSTUMER SERVICE NEW PRACTICES**

- Here we will be practicing the principle of entertailing. We can implement that principle right away. We will incorporate music playing in the background during our hours of operations. We will include on the suggestion card, questions pertaining to the type of music that our costumers would like to listen to while they are making their selection to go, or are seating in the dining facility enjoying their meal.
- Implement a "learn about your customers" attitude, and reward good costumer service on a daily basis. We will implement the 59 min rule, where each employee receiving a good costumer complement (reported to the manager) will receive 59 minutes off one day of his/her choice during that week.
- Implementation of customer service suggestion cards conveniently available at the cash register.

### **ADVERTISING COPY**

- Please see our new advertising page that will be distributed to building managers for further dissemination.
- Since the copies were made by one of the founding partners on the company's computer, the cost of paper and cartridge used was found to be a total of \$35.00 for a set of a hundred.
- Each brochure has a coupon for 50% off a meal.
- **COST:** We anticipate that all the coupons will be used, because people want to take advantage of the 50% off lunch. Therefore the cost of the coupon/brochure/advertising strategy will be  $\$35 + (100 \times 9.22 \times 0.5) = \$496.00$ .
- But we only anticipate to be able to retain 25% of the coupon attracted costumers. Therefore the additional monthly revenue will be  $\$9.22 \times 25 \times 5 \times 4 = \$4,610.00$ , for a monthly benefit of  $\$4,610 - \$496 = \$4,114$ .

### **NEW WEB SITE**



- One of the founder partners, Sonia Julka, has invested a great amount of time in Information Technology during her MBA program. She has developed a web site for the company.
- We will be paying hosting cost and a one time set up cost for a total of \$65.00 (\$15+50=\$65). By Sonia developing the web site, we are saving over \$1,000.00.
- With a small business like Up2U, we anticipate that the web will be able to attract and retain only 5 additional costumers per week.
- Please visit us at <http://home.gwu.edu/~cchae/up2u/>

### **MATRIX MIX OF COST BENEFIT ANALYSIS**

- We are trying to achieve the most benefit from the buck.
- We only have \$100 per month for advertising/marketing in our budget. Additionally, we are starting to implement this advertising in Mar, where we start making profits of \$2,651.00. This will allow us to draw from our profit, in order to receive more revenue in the future as a result of new strategies implemented.
- We are allocating a quarter of observation, and would like to start seeing the most benefit within 3 months of implementation of our strategy. This means that we want to choose the strategy that provides most return per dollar invested by month 3.
- From the below quarter cost benefit analysis table, we can see that the best strategy to implement is the Suggestion Card Strategy, when by investing only \$231.00, we receive by the end of the quarter additional benefits of \$26,970.00, giving us a benefit of \$117.00 for every dollar invested. The second best strategy is the building discount strategy, where we invest \$111.00, and harvest benefits of \$11,202.00, hence benefits of \$101 for every dollar invested. Although the brochures and coupons strategy gives a total of \$12,342, the cost of this strategy (\$496.00) out-weights its benefit, we only gain \$25.00 for each dollar invested.

QUARTER COST BENEFIT ANALYSIS			
Average meal cost is \$9.22	QUARTER COST	QUARTER BENEFIT	BENEFIT PER DOLLAR INVESTED
Building Discount Strategy	\$111	\$11,202	\$101
Suggestion Card Strategy	\$231	\$26,970	\$117
Raffle Tickets Strategy	\$553	\$4,979	\$9
Brochures and Coupons	\$496	\$12,342	\$25
Web based strategy	\$165	\$2,766	\$17

### **CONCLUSION:**

- Based on the cost benefit analysis we will implement the Suggestion Card and the Building Discount Strategies. This will require us to spend relatively less funds



(implementation cost will only be slightly higher than our quarterly advertising cost: \$341.00 vs \$300), and will allow us to rip the most benefits.

- Additionally, we see that the web site as a strategy provides the second to the worst beneficial strategy. But since it is relatively cheap, and it gives some visibility to the company, we would implement the web as a strategy.

## Copy of Marketing Brochure



### UP2U HEALTHY GOURMET FOOD

#### OPEN FOR YOUR CONVENIENCE:

Mon - Friday 11:00 AM to 7:00 PM

#### NO SURPRISE PRICING:

Our pricing method allows you to know exactly how much will pay at the register. We price by the container, not the weight.

Type	Price	Size(Inch)
Small	\$7.00	7X4X3.5
Medium	\$9.00	9X5.5X3.5
Large	\$11.00	11X7X3.5



#### ON THE MENU

We are committed to customer choice:

- (1) Widest selection of fresh and nutritious salad
- (2) Ingredients ranging from traditional toppings to fresh produce to lean proteins.

We will work with you with your dietary restrictions to develop well-balanced meals

Additionally we offer nutritional guidelines for our concerned customers' meals nutritional content



50% OFF YOUR LUNCH

#### COLOR CODED DISPLAYS

Our Color-coded stickers directs you to ingredients which are beneficial and well-suited for just you

We offer such dietary restrictions items as: low-carb, lactose-free, vegetarian, and low-calorie

#### FOR ORDERS PLEASE CALL

1-800-888-8888

#### YOU CAN ALSO VISIT US AT

<http://home.gwu.edu/~cchae/up2u/>



**TAB D**

## **Appendix D**

### **Scenario 3 for Student Team Response**

## **Appendix D**

### **UP2 U**

### **Scenario 3**

As the end of October is end of your tenth month of operations, you decided to perform a physical count of your inventory on hand. While counting the containers, you realized that you had far fewer containers on hand than you thought based on sales for the last 9 months. In reviewing purchases of containers, numbers of containers sold, and your inventory of containers on hand should be about 2,000 higher than your physical inventory reports. In counting your drink cups, you find that your inventory is about 500 cups less than it should be, based upon purchases and sales. As you continue your inventory of purchases and sales of food product, you realize that somehow you are missing large amounts of food product that are unaccountable.

In discussions with your store manager, going over all purchases, physical inventory reports, units sold and sales receipts and ending cash balances in the bank, the store has lost or is unaccountable a little over \$40,000.00 of Inventory (goods available for sale) in three months? You had noticed that Cash was somehow tighter, but you assumed it was because of increasing sales?

Your store manager also told you more bad news: After reviewing you P&L assumptions for the first nine months, the original projections had a major error and the store owes approximately \$10,000 in quarterly taxes.



You now have four major problems to solve in a very short time:

- 1) Where is the Inventory Going and how do I stop the disappearance?
- 2) How do I replace the \$40,000.00 in a hurry?
- 3) The back up credit line was never approved!
- 4) How long will my cash hold out? How long will my credit hold out?

You have until November 12<sup>th</sup> to solve or come up with solutions to these issues. Type all your action steps and any supporting documentation and e-mail to Patrick Tunison at

[ptecmt@comcast.net](mailto:ptecmt@comcast.net) by November 12<sup>th</sup> and be prepared to present your case orally to Mr.

Tunison on November 12th, during class. Bring a copy of what you emailed Mr. Tunison to class.



**TAB E**

## **Appendix E**

### **PowerPoint Slides**