



The Kelp Bed

Food Court Style Dining

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Aguon

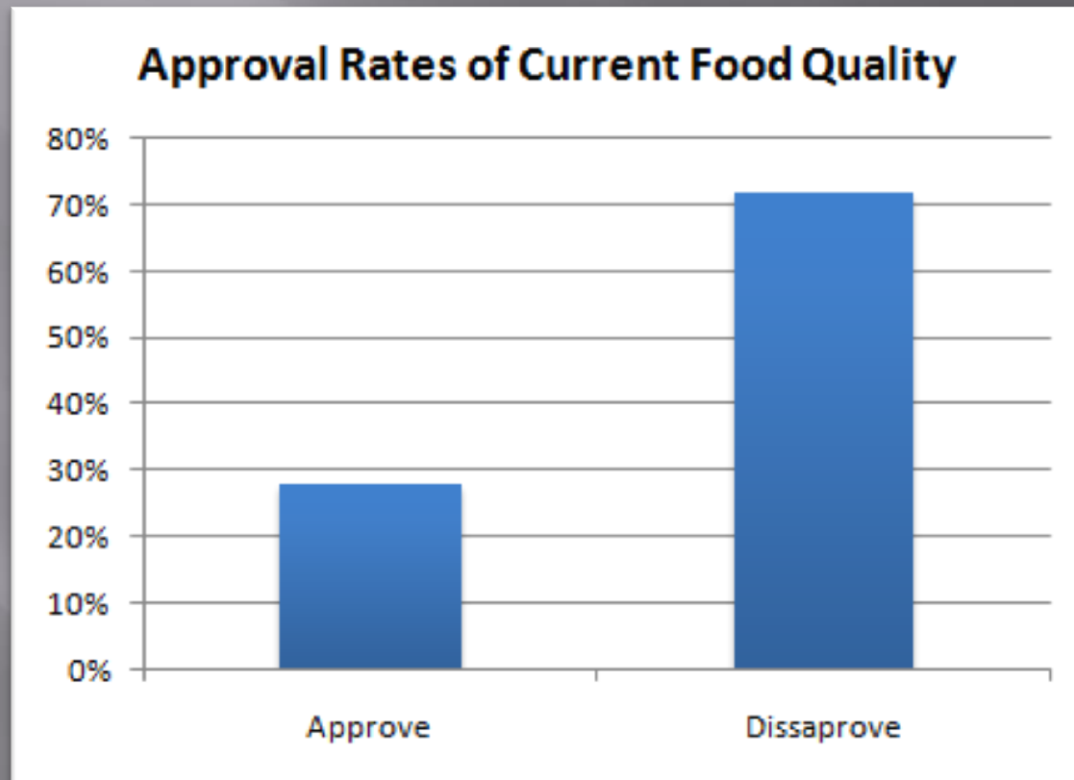
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Professor Carol Davis

Agenda

- ▣ Intro
- ▣ The Kelp Bed
- ▣ Target Market
- ▣ Incorporation of Franchises
- ▣ Promotion Mix
- ▣ Financials
- ▣ Break-even Analysis
- ▣ Contingency
- ▣ Conclusion/Questions
- ▣ References

Introduction

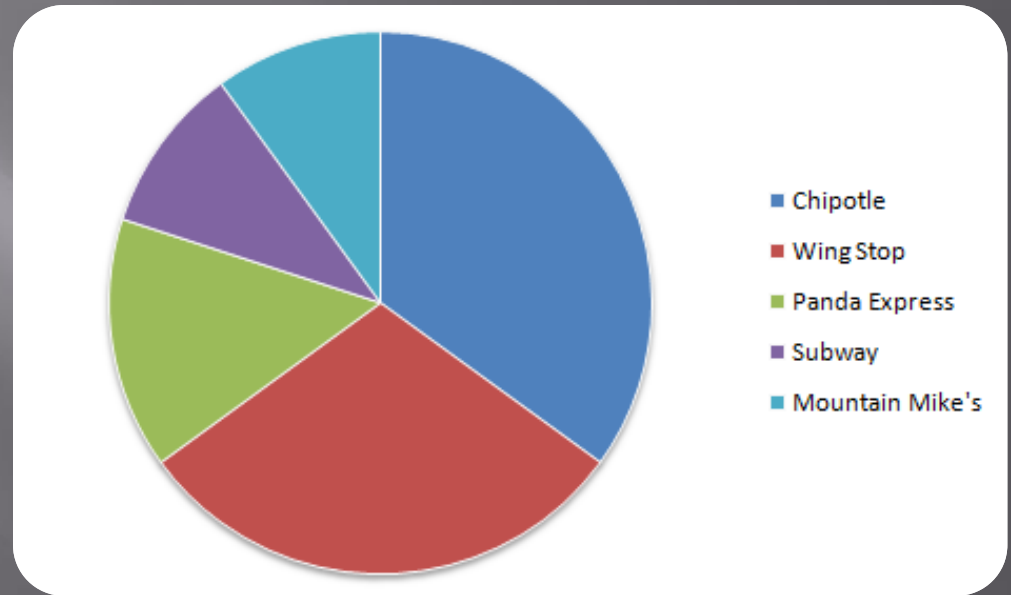


The Kelp Bed is...

- ▣ Food Court Style
- ▣ Location
 - Library on Campus
- ▣ Housing
 - 5,000 sq ft
 - Room for expansion
 - Multiple stalls

Target Market

- ▣ Product
 - What's provided
- ▣ Franchises:
 - Wingstop
 - Chipotle



Target Market

- ▣ Demographics
 - Age: 18-24
 - Gender: 39% Male 61% Female
 - Family Cycle: with or without kids
 - Income: students and families

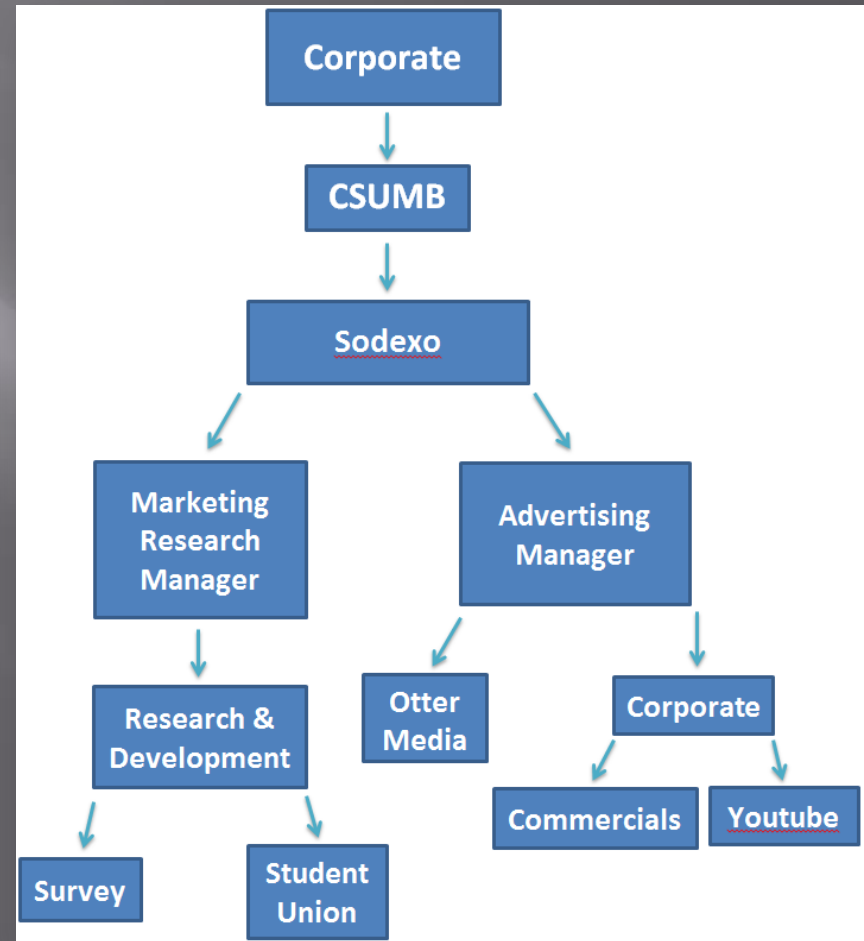


Target Market

- ▣ Growth
 - Student Body
 - Future prospective students
 - Surveys and Feedback

Incorporation of Franchises

- ▣ CSUMB
- ▣ Sodexo
- ▣ MR Manager
 - R&D
 - ▣ Survey
 - ▣ Student Union
- ▣ Adv Manager
 - Otter Media
 - Corporate
 - ▣ Commercials
 - ▣ Youtube



Promotion Mix

- ▣ Advertising
 - Email
 - Flyers
 - Billboard
- ▣ Events
 - Grand Opening Week
 - Annual Grand Opening Anniversary

Financials - Fixed

- ▣ Employees
 - Seven employees at 1400 hours a month.
 - ▣ Yearly Employee Cost - \$123,480
- ▣ Management
 - Total Yearly Salary - \$80,000
- ▣ Accounts Payable
 - Total Yearly AP - \$150,000

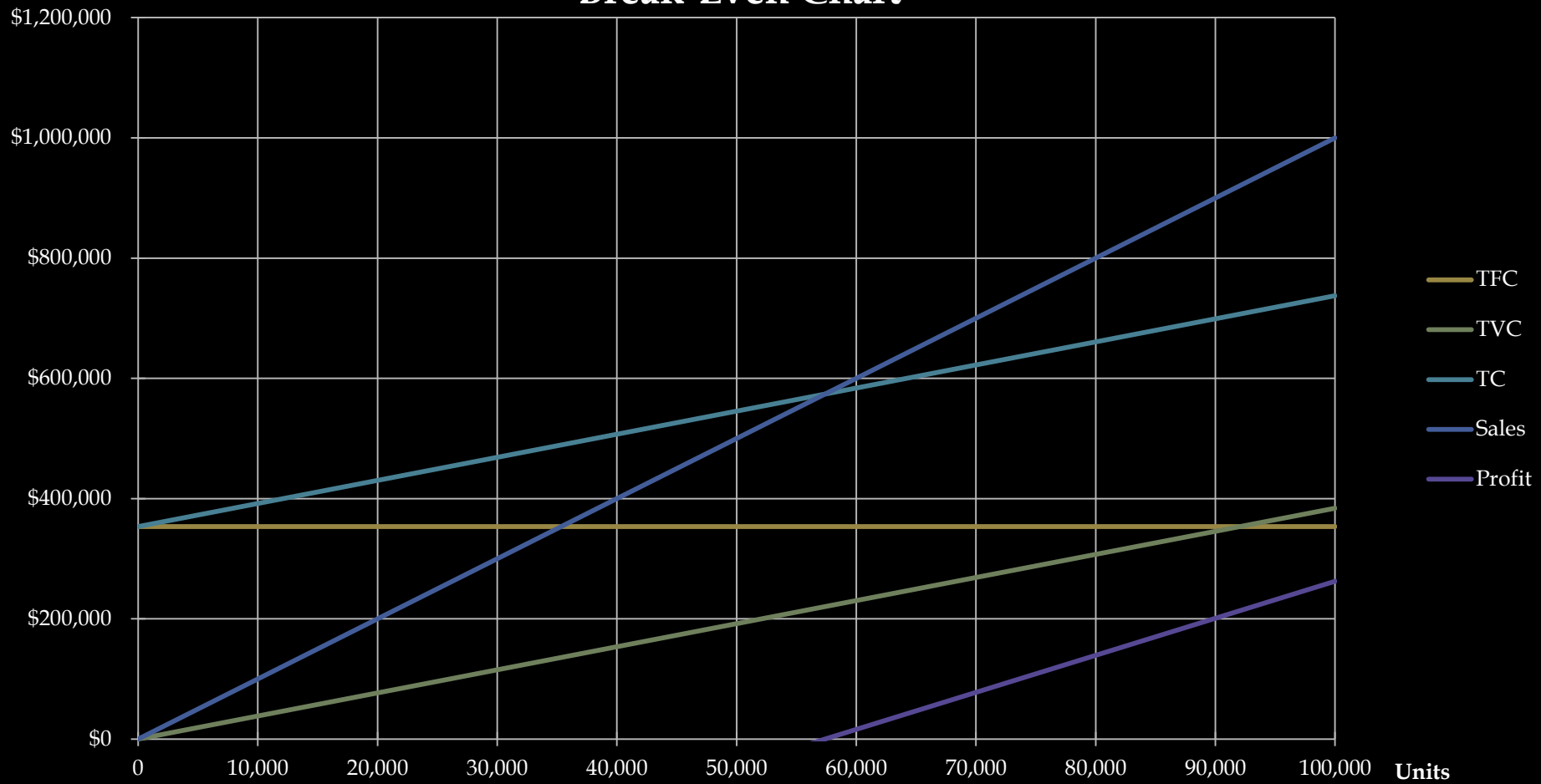
Financials - Variable

- ▣ Utilities
 - PG&E, Water, Garbage, and Sewer
 - ▣ Total Yearly Utilities - \$23,133
- ▣ Supplies
 - Chipotle and Wingstop
 - ▣ Total Yearly Supplies - \$69,000

Financials - Revenue

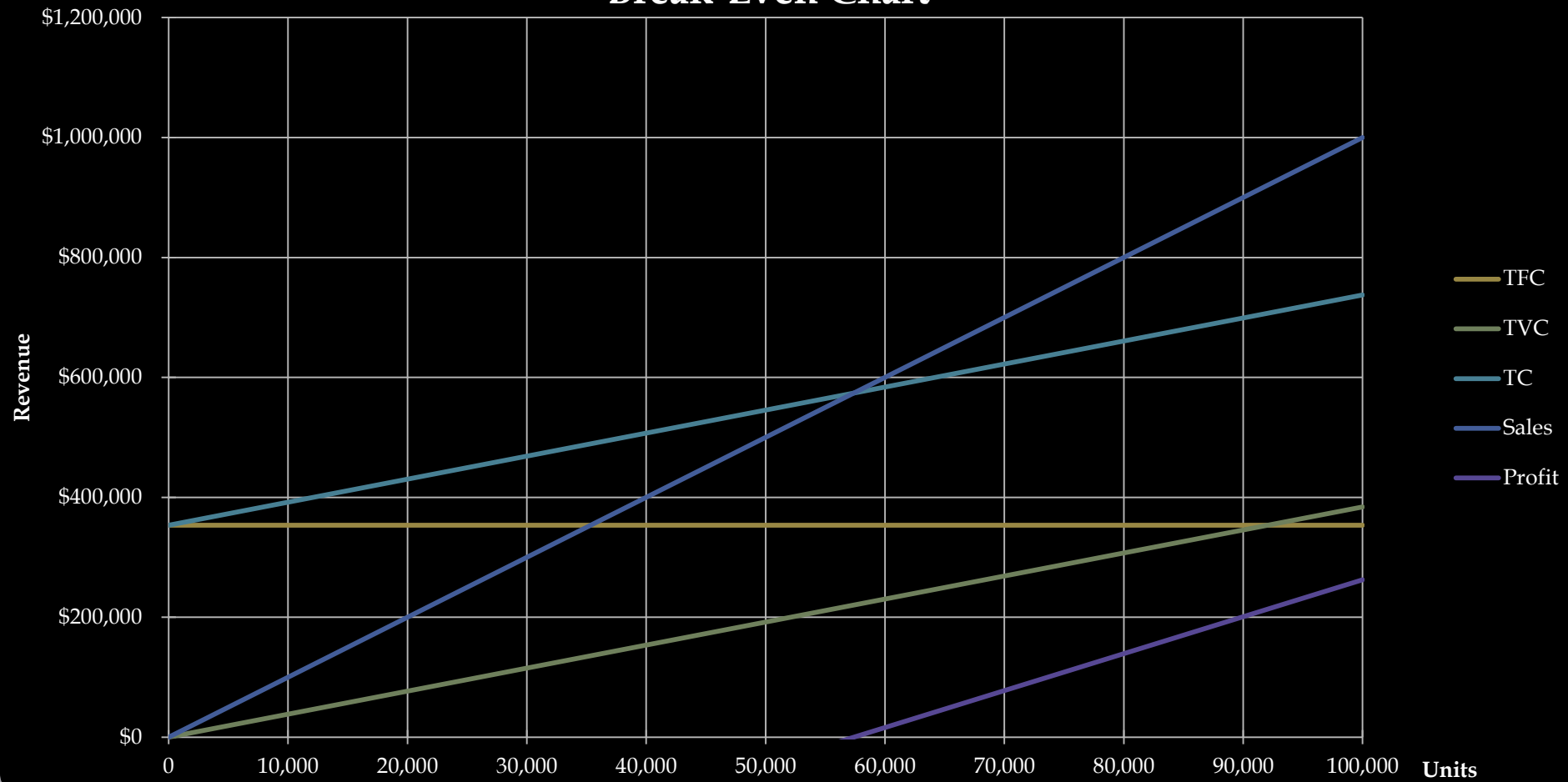
- ▣ Students, Faculty, Staff
 - Total Yearly Revenue - \$871,490
- ▣ Surrounding Community
 - Total Yearly Revenue - \$10,700

Break-Even Chart



- ▣ Profits: \$573,840
- ▣ Sales Needed: 57,384 Units
- ▣ Year 1

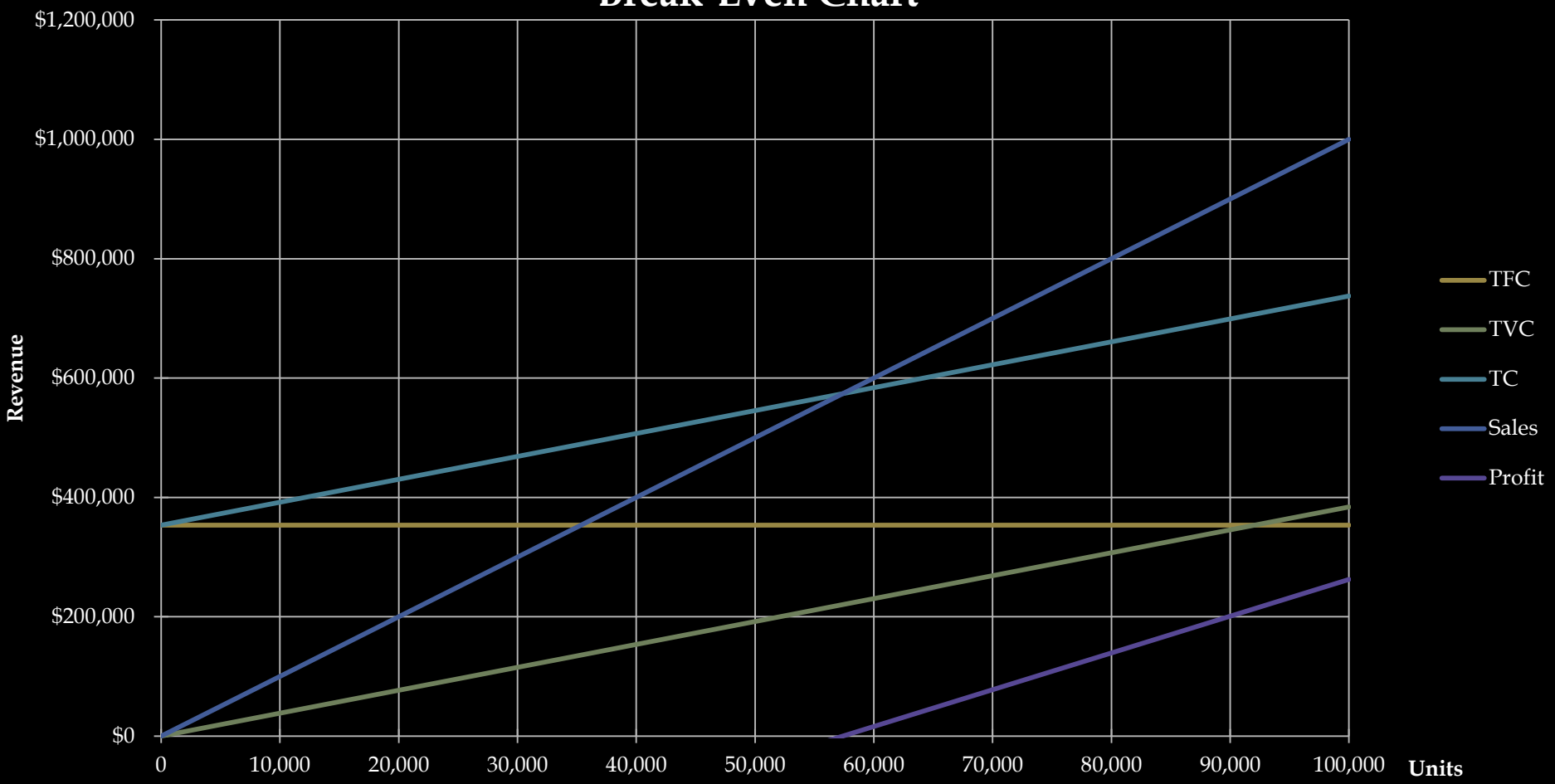
Break-Even Chart



□ $BE_{vol} = 353,480 / (10 - 3.84)$

□ $BE_{sales} = BE_{vol} * 10$

Break-Even Chart



- BEvol = 57,384 units
- BEsales = \$573,840

Contingency Planning

DIFFICULTIES AND RISKS

- ▣ Convincing franchises
- ▣ Breaking even
- ▣ Making profit

SOLUTIONS

- ▣ Reduce franchises
- ▣ Yearly rotate franchises
- ▣ Adjust advertising
- ▣ Different franchise(s)
- ▣ Transfer ownership to Sodexo

Last Resort

Should the Kelp Bed reach extreme conditions, it would be converted into a Culinary classroom



Conclusion/Questions

- ▣ Kelp Bed will provide excellence
- ▣ Profitable
- ▣ Unique and new
- ▣ Evolve and grow



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Thank You