BUSINESS PLAN:

BARCELONA STREET FOOD TRUCK

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EXECUTIVE SUMMARY

This business plan is for a Catalan/Spanish food truck to operate in the area of Melbourne CBD and close suburbs. What make our business different and special is that there is no other food truck with the same kind of food and even the Spanish restaurants in Melbourne they don't prepare the same products that we will serve to our customers. This is what makes us as a unique and exclusive food reference in Melbourne. There is no other place that prepares sandwiches and the Catalan style (pà amb tomàquet/bread with tomato spread), Spanish omelettes and Catalan/Mediterranean salads. Have you already tasted the bread with tomato or the potato omelette? People who did, they think that it is the most delicious bread ever and the omelette is just feel angels dancing in their mouths.

Use the name of Barcelona as part of our food truck will provably attract the attention of the customers because our city is a world reference for tourism and food.

Our prices want be expensive, just a good balance between quality and price. We will use good quality products to make our food as healthy, tasty and fresh as possible.

This truck is going to operate 6 days a week (Tuesday to Sunday) between 11am and 8pm serving food during brunch, lunch, snacks at mid afternoon and dinner. Our location will change depending the day and the time of the day in order to find the perfect place where we could have more customers.

We are sure that everyone will enjoy our food, from kids to elderly people all of them can appreciate the good taste of the Catalan street gastronomy.

What are you waiting for? We are looking forward to prepare you delicious food and serve it with a big smile and the proper happiness of the Mediterranean people.
1- THE MARKETING PLAN

1.1 ENVIRONMENTAL ANALYSIS:

To do a proper environmental analysis it is necessary to prepare a PESTLE analysis. This analysis includes the threats that can affect your business, like political, economic, social, technological, legal and environmental.

- Political: For the business of a Catalan food truck, there shouldn’t be political threats about the raw materials, the importation of products or the permits to park the truck in the different areas of Melbourne.

- Economic: Pay taxes, salaries other expenses won’t be an expensive cost. The money used to start the business comes from a couple of investors, whom will own part of the business.

- Social: This factor shouldn’t be a problem because Melbourne is a city multicultural and open to all kind of cultures and food.

- Technological: The equipment necessary for this business is quite basic and is not necessary complex and expensive devises.

- Legal: About the regulations related to hospitality, manipulating and serving food is just about to respect them and be sure that we accomplish all the requirements.

- Environmental: There are quite a lot of food trucks in Melbourne and probably they have less environmental effects than restaurants. In order to have the most green business as possible it could be possible to install a solar panel to provide the necessary power, also it is possible to use recycle plates, cutlery and boxes for the take away.

During the last few years the food trucks increased in quantity in all Melbourne, especially in areas with more population or trendy ones with young and trendy people. This kind of business is working quite good because it doesn’t have a big cost and the profit that they can do is quite high if you know where and when you have to be.

This particular food truck is going to serve Catalan fast food like sandwiches, salads and omelettes, which they are quite different from the rest of fast food served in Melbourne. The particularity of this food is that is cheap, healthy and tasty.
1.2 PRODUCT(S)/SERVICE(S):

The products that this business will serve are:

- Sandwiches: They will be traditionally prepared at the Catalan style what basically means that we will get some ciabatta or baguette bread with tomato spread on the bread, salt and olive oil and then we can add cheese, tuna, cold meats or even omelettes.

- Salads: The Catalan food has a lot of different salads like potato salad, rice salad, lentils salad, traditional salads with lettuce and mixed leaves all of them really easy to prepare, cheap products and healthy and low in fat.

- Omelettes: The traditional Catalan/Spanish omelette is with fried potato and onion, but there a lot of more with artichokes, zucchini, white beans, tuna, asparagus, mushrooms.

- Croquets: This traditional Catalan/Spanish food is another example of cheap and tasty food. Croquets can be done of potato, cheese, mushrooms or chicken. The preparation requires time but the cost is cheap.

In our market there is no truck food with a similar food and there are few restaurants serving similar food and none of them prepare any kind of omelettes or salads and only one kind of croquets. That means that this truck food will be almost unique on products.

1.3 CUSTOMERS DEMOGRAPHIC:

There is no determinate age, sex or lifestyle to enjoy this kind of food because everyone can afford the prices of our food and be hungry at anytime to have a snack or meal. In Catalonia from kids to grandparents eat all this food, low class to high class and our intention is establish the same here in Melbourne. Even if it is during the work lunch break, enjoying the outdoor in a sunny day or just in the way home or somewhere else one can be hungry and stop to eat something.

The mean areas where we want to be are the Central District, Saint Kilda area, North Fitzroy close from the Edinburgh Gardens where is plenty of people.
1.4 COMPETITION AND COMPETITIVE ADVANTAGE:

Three of our major competitors are:
- Mr. Burger
- Taco Truck Food
- Beatbox Kitchen

These competitors prepare food that is trendy or traditional in the Australian culture like burgers and Mexican food, that is a strength for all of them because this is food that people knows and likes for its flavour and taste. On the other hand talking about their weakness is that they serve similar food, with similar taste and they don’t have too much variety.

I will address their strengths by not cooking anything similar than them and respect that they are good on what they do, but I can use the same thing to take advantage of their weaknesses by offering something new, with different and flavours for the customers. Another weakness that they have is the poor variety of products, thing that we will work on to offer more variety to the customers.

All these three competitors have two workers on each truck. Mr. Burger with three trucks food is the one of them with more units, Beatbox Kitchen have two trucks and Taco Truck is an only one working.

All competitors have the advantage to have been in the business for few years and they are known for the customers. Beatbox Kitchen was the first one the appear almost 6 years ago, Taco Truck have been in the business for the last 4 years and Mr Burger is the younger of them since 2011 but is the one who has had a bigger expansion with more shops and trucks around the city during this 3 years.

The position that they have in the market is a good balance between quality/price/service but their products are quite similar and high in fad and calories.

All these companies they don’t have a waiting list for their products, the service is immediately.
With the Barcelona street truck food we don’t expect to change habits of the customers and we understand that the competitors and our business can work in harmony. We thing about the customers and probably they won’t choose one food truck over the others. They will provably choose depending what they feel like to eat in every specific moment. Even like that the Barcelona street truck food want to have a good acceptance into the market and have a loyal amount of customers.

All these food trucks work sometimes in the same area and Beatbox and taco Truck some times they stop at the same and work friendly together. The same we want to happen when we will start to operate. We hope they will react positively when we will enter the market knowing that we offer something different to them and we should have a direct competition.

1.5 PRICE STRATEGY:

The strategy that we will apply is a penetration pricing with lower prices during the first month to attract the customers and then increase the prices on what we thing is necessary to obtain the expect benefits. For example we thing put the prices 25% cheaper of what we really want to charge for each product.

1.6 ADVERTISING AND PROMOTIONAL STRATEGY:

At the beginning our promotional strategy will be go to all outdoor festivals and activities where they will be lots of people. At the same time use Facebook, Twitter and personal website to advertise the truck and get some followers. We expect that our main marketing will be mouth to mouth and just use the network to advertise where the truck will be each day.

1.7 S.W.O.T ANALYSIS:

Strengths:
- More variety of food than competitors
- Different food and different flavours
- It’s something new
- Barcelona is an striking name to get the attention of the customers
- Unique product
Weaknesses:
- Non trendy food
- New food that some customers don’t know
- New business in the market against known competitors by customers

Opportunities:
- Melbourne is a multicultural city and provably that will help to have success.
- If the food truck works maybe we could open a store

Threats:
- The competitors are known by customers and have more experience
- Where to be and when (stop the truck)

1.8 MARKET RESEARCH:
Not market research done yet

1.9 MARKET TARGETS:
We are going to operate for 9-10 hours a day 6 days a week Tuesday to Sunday. If we detect that we don’t sell as much as we want at the beginning we will consider operate less hours in order to reduce costs.
At the beginning we want to sell no less than around 50 sandwiches a day, plus omelettes, salads and drinks with the goal of earn $800-1000 to cover the costs and have a margin of benefit. After the first months we expect to increase the sells almost the double per day.
2- THE OPERATION PLAN

2.1 BUSINESS STRUCTURE:

The business structure will be a partnership between three people and the reason why this structure has been selected is because the three partners have the same interest and passion and love for the food of our country. Between the three members we can afford the cost of starting the business and we don’t want external interferences as investors or loan from a bank.

The advantage of this structure is that we will be owners of our business and the success of it will only depend on us and we won’t have to worry accomplish the expectations of no one else than our selves.

Because the partners we are all from the same region of Spain, which is Catalunya we are going to name our business “Barcelona street food”. The reason of using this name is because we want to take advantage of the popularity of city to attract customers. The name is free and we are going to register it. At the same time we will need an ABN to make the business legal.

2.2 SCOPE OF OPERATION:

This business is not a big one because at the beginning we want to be the three owners working on it and if it works as good as we want we will think then to expand or not the business and contract more people and get more trucks.

We want to work in a local area around Melbourne city and close suburbs and the expected level of turnover that we want to get during the first year is around a quarter of million dollars.

2.3 REGULATORY ISSUES:

As a truck food we will need a mobile food premise from the State of Victoria and must comply of the laws in the Food Act 1984 (Vic) and a food safety program.

2.4 INSURANCE:

As a self-employed we don’t need and personal work insurance because we can get coverage through the individual Marketplace.
Vehicle and Public Liability Insurance will be required to cover possible damages and accidents or personal injuries.

2.5 BUSINESS PREMISES:
As a food truck business the same truck is the premise itself. That means that it won’t be an only specific location and no rents to pay. We own the vehicle and there are no leases to pay. The location will be different everyday at different times depending where we the potential customers will be.

The facilities required to operate the business are the truck, hob to cook and fridges to conserve the food fresh. On the other hand the main costs that the business will have are the power for the kitchen, fridges and petrol necessary to operate.

2.6 LOCAL:
The truck food will have different locations depending the day and the time of the day.

The locations will be Melbourne CBD, Carlton, Fitzroy, Brunswick and Saint Kilda.
- Tuesdays: During the lunch we want to locate the truck close from the campus of the Universities in Carlton and move to Brunswick Street for the dinner.
- Wednesdays: Lunch close from the campus of the Universities and dinner at the Victorias night market.
- Thursday: Lunch at Federation Square in Melbourne CBD and dinner at Lygon Street in Brunswick.
- Fridays: Lunch at Federation Square in Melbourne CBD and move to Saint Kilda for the dinner.
- Saturday: All day close from Federation Square.
- Sunday: Lunch at the Victoria Market and dinner at Saint Kilda.

2.7 PRODUCTION ARRANGEMENTS:
The products will be prepared at the same truck before to start the service and during it in case we run out of some meals like omelettes or salads.

If we want to start the service at 11am that means that by 9am we should start to do all the prep and get the products from the suppliers, especially fresh and daily bread. The rest of products can be acquired ones or twice a week depending the sales of every day.
About food waste, Melbourne is a city that encourages restaurants, cafes and other businesses dealing with food to recycle food waste. The City of Melbourne however, does not provide a food recycling service.

2.8 DISTRIBUTION (PLACE) ARRANGEMENTS:
Obviously the product will be sold directly to the customer by ourselves.

2.9 CREDIT ITEMS:
No credit items are being though yet.

2.10 PLAN AND EQUIPMENT:

<table>
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<th>EQUIPMENT</th>
<th>Already own</th>
<th>Purchase</th>
<th>Maintenance</th>
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<td>$8,000 start / 15,000 a year</td>
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<tr>
<td>Fridges</td>
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</tr>
<tr>
<td>Mini oven</td>
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</tbody>
</table>

2.11 QUALITY CONTROL:
To ensure that everything is done as the fixed standards we will set a list of duties and tasks to do a day, weakly, monthly and yearly as for example:
- Cleaning every day after the service.
- Weakly maintenance and clean of the oven, hob and fridges.
- Monthly check that all equipment works perfectly and meeting to review possible issues and point what is being done good and wrong.
- Yearly control of the truck, maintenance and repairs if it is required.
2.12 MEMBERSHIPS AND AFFILIATIONS:

As a food business we will apply for be member of the FIA (Foodservice Industry Australia), which is the NATIONAL organisation representing the broadest range of businesses involved with the Foodservice Industry throughout Australia. The FIA works collaboratively with the food & beverage industry and other similar organisations in each state, to work together and to assist each other with business, networking and to enrich the foodservice industry as a whole.

2.13 COMMUNICATIONS:

We will use three different ways of contact by phone, email and Internet as Facebook and Twitter. The phone number and email will be used to be contact by governmental organisations and suppliers, while Internet it will be used interact and be contacted by the customers.

2.14 TRADING HOURS:

We want to operate from 11am to 8pm, Tuesday to Sunday. We want to work during the brunch, lunch and dinner all days a week except Monday.

2.15 COMMENCEMENT DATE:

The business will start during the Spanish Fest in Fitzroy (Melbourne) during the 16th and 17th of November 2014. We want to use the fest as a way to let us know and start to attract customers.