

# CUPCAKE-FACTORY

## Business Plan

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# Overview

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- ❖ Introduction
- ❖ Market Analysis
- ❖ Our store
- ❖ Cost calculation
- ❖ Conclusion



# Introduction

❖ Origin America

❖ Comparison to muffin:



**Muffin**



**Cupcake**



# Introduction

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- ❖ Popularity grows in Germany (esp. young generation)
- ❖ Stores already in Düsseldorf, Cologne, Berlin
- ❖ Idea:
  - Open a store in a city nearby
  - Target age group 12-50
  - Expand the market in Germany



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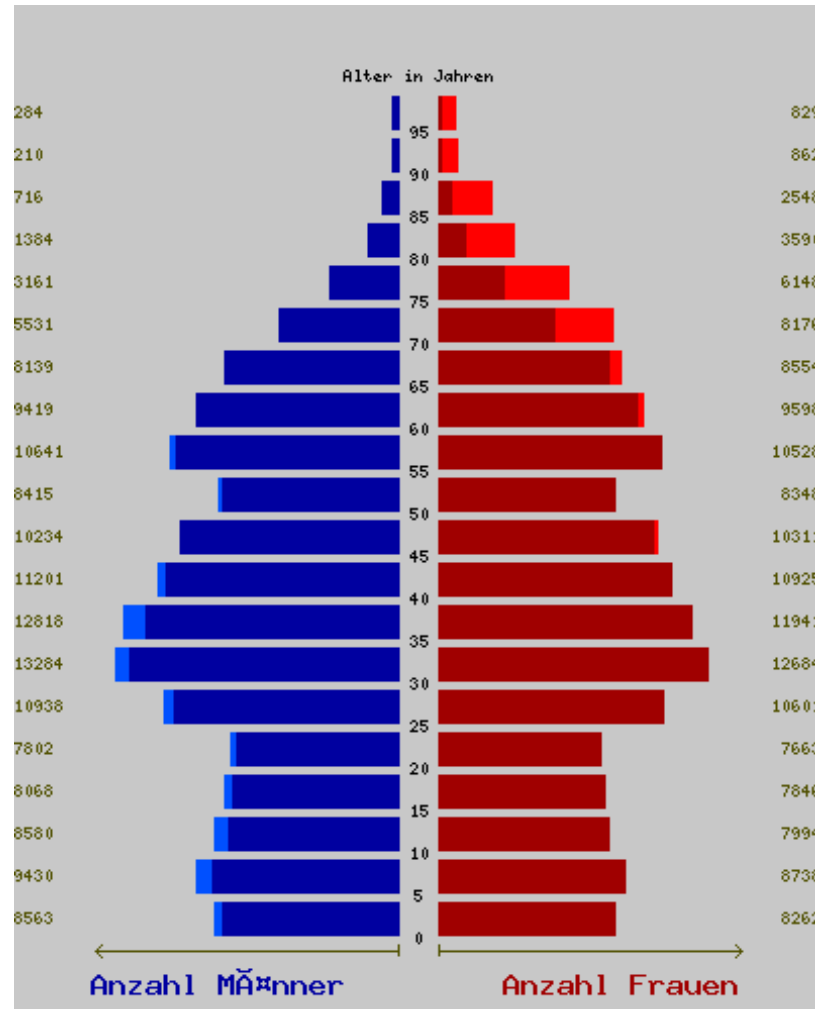
# Market Analysis

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- ❖ Store is located in Aachen
- ❖ Short distance to faculties of RWTH & FH Aachen  
& main train station
- ❖ Lower rents
- ❖ No competition with established shops
- ❖ Multicultural



# Market Analysis





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# Our store

- ❖ Legal form GmbH (association with limited liability)
- ❖ Initial capital: 30.000€
- ❖ Nice old styled corner building with stucco ceilings





# Our store

- ❖ Modern & clean interior decoration
- ❖ Additional opening of a café with snacks, coffee & cold beverages
- ❖ Opening hours:

Mo-Fr	Saturday	Sunday
9-16	10-15	10-12



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# Cost calculation

## Investement & depreciation costs

Item	Investement [€]	Depreciation time [years]	Depreciation costs [€/year]
<b>Equipment kitchen</b>			
2 x oven	2000	10	200
1 x pastry mixer 12kg	1250	10	125
40 x cake pan	748	10	74,8
1 x work plate + board	1000	10	100
1 x working table	1000	10	100
1 x sink	1200	10	120
1 x dishwasher	1450	10	145
<b>Equipment sales room</b>			
1 x sales counter	10800	10	1080
1 x espresso machine	2350	10	235
1 x fridge	1300	10	130
10 x electric lighting	450	10	45
20 x chairs	7700	10	770
10 x tables	2400	10	240
dinnerware	1200	10	120
10 x decoration	500	10	50
1 x cash desk	2500	10	250
<b>Equipment office</b>			
1 x table	1300	10	130
1 x chair	800	10	80
2 x cupboard	1000	10	100
1 x computer/printer	1500	4	375
1 x shelf	250	10	25
<b>misc.</b>			
1 x billboard	500	10	50
5 x electric lighting (outside)	625	10	62,5
unforeseen	10000	0	0
circulating capital	20000	0	0
<b>Total</b>	<b>73823</b>		<b>4607,3</b>



# Cost calculation

## Financing costs

Total investement costs [€]	73823
40% Equity capital [€]	29529
60% credit captial [€]	44294
Interest rate	7 % p.a.
Running time [years]	10
Redemption [€/a]	4429,4

Financing [year]	Remaining dept [€]	Interest costs [€/year]
1	44294	3101
2	39865	2791
3	35435	2480
4	31006	2170
5	26576	1860
6	22147	1550
7	17718	1240
8	13288	930
9	8859	620
10	4429	310
<b>Total</b>		<b>17053</b>



# Cost calculation

## Labour costs

Employment	Costs	Social costs
	[€/year]	[€/year]
confectioner	19200	3840
shop assistant (2)	15600	3120
Cleaner	4800	
Student	4800	
sum	44400	6960
<b>Total costs</b>	<b>51360</b>	



# Cost calculation

## Running costs

Item	costs		
	[€/year]		
rent	7200		
heating	2400		
electricity	7200		
water	3600		
garbage	1800		
advertisement	3600		
phone&internet	600		
insurances	3000		
cleaning & toilet supplies	400		
office supply	1200		
<b>food supplies</b>	<b>1.year</b>	<b>2.year</b>	<b>3-10.year</b>
cupcakes	24768	27360	29952
snacks	10080	12096	14112
beverages	5184	6120	7056
<b>Total</b>	<b>71032</b>	<b>76576</b>	<b>82120</b>



# Cost calculation

## Pricing

	Cupcakes		Snacks		Cold beverages		Coffee		
	<i>regular</i>	<i>special</i>	<i>small</i>	<i>regular</i>		<i>normal</i>	<i>cappu./latte</i>		
Prod. costs/	0,80	1,00	0,60	0,80	0,35	0,10	0,20		
Prime costs [€]									
Mean price	2,80	3,10	2,50	3,00	1,35	1,40	3,00		
competitors [€]									
our price [€]	2,80	3,00	2,50	2,80	1,35	1,50	2,50		
turnover [€]	2,00	2,00	1,90	2,00	1,00	1,40	2,30		
									<b>Total turnover [€/a]</b>
sales per day	70	30	25	25	30	25	25		
sales 1. year	20160,00	8640,00	7200,00	7200,00	8640,00	7200,00	7200,00		
turnover [€/a]	56448,00	25920,00	18000,00	20160,00	11664,00	10800,00	18000,00		160992
sales per day	75	35	30	30	35	30	30		
sales 2. year	21600,00	10080,00	8640,00	8640,00	10080,00	8640,00	8640,00		
turnover [€/a]	60480,00	30240,00	21600,00	24192,00	13608,00	12960,00	21600,00		184680
sales per day	80	40	35	35	40	35	35		
sales 3-10. year	23040,00	11520,00	10080,00	10080,00	11520,00	10080,00	10080,00		
turnover [€/a]	64512,00	34560,00	25200,00	28224,00	15552,00	15120,00	25200,00		208368





# Cost calculation

## Cash flow

year	1	2	3	4	5
Turnover/Revenue [€]	160992,00	184680,00	208368,00	208368,00	208368,00
Depreciation costs [€]	4607,30	4607,30	4607,30	4607,30	4607,30
Financing costs [€]	3100,58	2790,52	2480,46	2170,41	1860,35
Labour costs [€]	51360,00	51360,00	51360,00	51360,00	51360,00
Running costs [€]	71032,00	76576,00	82120,00	82120,00	82120,00
Profit before taxes [€]	30892,12	49346,18	67800,24	68110,29	68420,35
Taxes (40%)	12356,85	19738,47	27120,09	27244,12	27368,14
Profit after taxes [€]	18535,27	29607,71	40680,14	40866,18	41052,21
Cash- flow [€]	23142,57	34215,01	45287,44	45473,48	45659,51
Repayment credit [€]	4429,40	4429,40	4429,40	4429,40	4429,40
Dividend [€]	18713,17	29785,61	40858,04	41044,08	41230,11



# Cost calculation

## Cash flow

year	6	7	8	9	10
Turnover/Revenue [€]	208368,00	208368,00	208368,00	208368,00	208368,00
Depreciation costs [€]	4607,30	4607,30	4607,30	4607,30	4607,30
Financing costs [€]	1550,29	1240,23	930,17	620,12	310,06
Labour costs [€]	51360,00	51360,00	51360,00	51360,00	51360,00
Running costs [€]	82120,00	82120,00	82120,00	82120,00	82120,00
Profit before taxes [€]	68730,41	69040,47	69350,53	69660,58	69970,64
Taxes (40%)	27492,16	27616,19	27740,21	27864,23	27988,26
Profit after taxes [€]	41238,25	41424,28	41610,32	41796,35	41982,39
Cash- flow [€]	45845,55	46031,58	46217,62	46403,65	46589,69
Repayment credit [€]	4429,40	4429,40	4429,40	4429,40	4429,40
Dividend [€]	41416,15	41602,18	41788,22	41974,25	42160,29



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# Conclusion

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- ❖ CUPCAKE-FAKTORY GmbH profitable from first year on
- ❖ Achieve constant turnover figures after three years
- ❖ Partners share profits → no fixed salaries

 Profit not sufficient as only income



# Conclusion

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## ❖ Growth potential

- Catering (birthdays, weddings etc.)
- Reduce labour costs



Thank you for your attention