

BABA'S *pierogies*

BUSINESS PLAN

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GRDS395 | PROF. CASEM

I. BUSINESS CATEGORY

Fast Casual Restaurant

II. EXECUTIVE SUMMARY

Baba's Pierogies is a single location Polish Pierogi shop located in Uptown Charlotte, NC. Being located on 120 Brevard Court, Charlotte, North Carolina, 28202, it's a great space for locals and tourists. Baba's Pierogies is a 1,260 SF fast casual restaurant that has a cozy, yet modern and clean feel to it. With the interior mimicking a modern twist of Polish Pottery, Baba's will be the go to spot for the classic Polish comfort food of pierogies with an upscale, yet welcoming atmosphere.

The word "Baba" is a take on the Polish word for grandmother, which is, "babcia" or "babunia". While it's a traditionally Polish word, it has a modern and short twist to it to keep it catchy. This fast casual restaurant is the first of its kind in Charlotte, NC, located in Brevard Court, across from the Romare Bearden Park. Baba's is operated in a family-style sort of way, where the passion and culture is visible through the atmosphere and the food itself. The restaurant has a cozy feeling to it, with a modern and clean look. The walls have half exposed brick, and what isn't exposed is a crisp and bright white to brighten up the space. There will be mosaic accents throughout that pay homage to Polish Pottery. There is some seating indoors, as well as outdoors for customers who want to enjoy their meal in our space instead of getting their food to go. There's a small area of shelves where we sell our imported products from Poland. Our main focal point is our front counter, that holds our fresh pierogies in a heated bin. We have four flavors daily, two that remain the same and two that switch out every week.

Baba's will have a staff of passionate and creative individuals who have a love for culture and sharing it with others. We will be staffed with 2 cooks, 3 cashiers, a supervisor and myself as the owner and manager. We will be a limited liability company (LLC) and will have an attorney to consult with legal matters, as well as helping us open up. Our products and ingredients will be bought wholesale and since we are located in a state that has more rural land, we will be partnering with local farmers to ensure that we have high quality ingredients and are supporting our farmers. We want to appeal to those who enjoy trying out new things, expanding their palettes and enjoy learning about different cultures and what we have to offer. Baba's is intended for all ages and remains inclusive to all ages, but specifically meant to attract ages 23-38. It's the perfect place to grab a quick bite for lunch, get takeout for a date night, or stop by to get dinner for the family.

Since we are located in Uptown Charlotte, Baba's Pierogies will be attracting locals and tourists. We are directly across the street from Romare Bearden Park and adjacent to the 300 South Tyron development, which contains 638,000 SF of office space and the 217-room Kimpton Tyron Park Hotel. As of 2018, Charlotte has a population of over 30,000 people and in the same year they saw about 29.6 million tourists. We have hopes to make regulars out of our locals and have tourists wanting to return with our authentic cuisines and our friendly and welcoming environment.

Our average price point per person for Baba's ranges from \$8-\$15 for pierogies, \$10-\$20 for pierogi combos and \$5-\$20 for our other menu items. Besides being known for our pierogies, Baba's also offers kielbasa and sauerkraut, borscht and homemade Polish desserts (like

poppy seed rolls and babka). Baba's Pierogies also sells market items imported from Poland, such as dried goods and spices, recipes, pre-packaged sweets from Poland and small traditional trinkets. Every Saturday evening, we hold a cooking lesson that is \$40 per person for 2 hours, where they can learn how to make authentic pierogies from scratch and learn our tips and tricks for making the perfect batch every time.

III. BUSINESS DESCRIPTION

Baba's Pierogies values high quality products and friendly interactions. As a business, we aim to give customers a cultural and personal experience while being in our restaurant. Our competition throughout Charlotte, NC, are other shops that sell Eastern European foods and products, and they are Euro Grill & Cafe, Big Apple Deli and A & A International Food Market. These shops may seem like a threat to Baba's, but instead they are motivators for us to be the best around, in terms of quality of our food and the overall experience for the customer. Our shop is cozy and intimate, while maintaining a modern and clean feel to it. We want our customers to feel welcomed and special while they're in our restaurant.

Our hours of operation are 7 days a week, 11:00am-7:00pm. Along with our specialty pierogies, we offer other traditional polish dishes, such as Kielbasa with sauerkraut and Borscht and imported market goods from Poland. On Saturday evenings, we offer cooking lessons for \$40 each where customers will be given the tools and knowledge on how to make 2 dozen pierogies from scratch. We have seating for indoor and outdoor, and we also offer takeout. Takeout orders can be placed over the phone or through our website.

IV. MARKET ANALYSIS

INDUSTRY DESCRIPTION

The market for comfort foods has gone up substantially in the year 2020. Being in quarantine has led people to resort back to childhood meals and feel-good, nostalgic food, and in a survey done by OnePoll, it was discovered that the average person will have a comfort meal at least 5 times a week. About 69% of people also said that they will continue to eat this amount of comfort food even after the pandemic.

The idea of fast-casual restaurants is booming as well. While they have been around since the 1990s, they have become something very popular in the last decade. According to the market research firm, Technomic, in 2009 there were about 17,300 fast-casual restaurants in the United states that brought in sales of about \$19 billion. By 2018, fast-casual restaurants have essentially doubled their sales and locations, with about 34,800 restaurants and sales over \$47.5 billion.

Being located in a southern state that is known for their comfort food, Baba's Pierogies will be able to fit in and stand out in this climate, because of our unique approach to traditional meals and adding a modern flare to them as well. Our fast-casual atmosphere will work in our favor as a quick place to grab lunch when you're on the go, and is perfect for the office space that is adjacent to our location.

COMPETITION

EURO GRILL & CAFE

The Euro Grill & Cafe is a casual local eatery that specializes in Bosnian and European cuisines. Their signature dish that they're known for is, ćevapi, which is small pieces of grilled minced meat that's wrapped in lepinja, a fluffier version of pita bread. They are a single location restaurant 3.3 miles away from Baba's Pierogies. They are considered competition due to them serving European style foods and being a more casual eatery. They also contain a small market inside that sells European foods.

BIG APPLE DELI

The Big Apple Deli is another casual eatery that most locals are familiar with. They specialize in American comfort food as well as mixing in Southeastern European foods, such as Gyros, subs served on pita and baklava. They are a single location restaurant that is 9 miles away from Baba's Pierogies. They are considered competition to us because of their European options being mixed with American comfort foods, as well as also being a casual style eatery.

A&A INTERNATIONAL FOOD MARKET

A&A International Food Market is a market that specializes in selling imported products from Central and Eastern Europe. They offer a large variety of products, such as seafood, deli meats, dairy products, breads and sweets, grocery items, frozen foods and beverages. They are a single location market and are the oldest European food store in the Carolinas and are about 11 miles from us. They are considered to be our competition, because they have a large variety of items that are imported from Poland, similar to what we are doing.

While Baba's Pierogies has competition nearby that are specializing in European cuisine/product, this is encouragement to us as a team and business to provide the best overall service, quality and product.

TARGET MARKET

PRIMARY: MILLENIALS

Ages: 23-38
Gender: Neutral
Income: \$40,000-120,000
Marital Status: Single, married, young families
Education: Bachelor's Degree and/or higher
Occupation: Full-time

SECONDARY: PROFESSIONALS

Ages: 39-60
Gender: Neutral
Income: \$80,000-200,000+
Marital Status: Single, married, families
Education: Bachelor's Degree and/or higher
Occupation: Corporate/White Collar

VI. MARKET & SALES STRATEGY

PRODUCTS & SERVICES

Baba's Pierogies offers lunch and dinner, as well as dessert items and market goods/trinkets that are imported straight from Poland. We have indoor and outdoor seating available and we offer takeout options. Every Saturday, we hold a two hour cooking lesson on how to make 2 dozen pierogies from scratch.

We will offer four flavors of pierogies daily, two traditional flavors and two modern flavors that change out weekly. In addition to pierogies, we have kielbasa and sauerkraut, borscht and

homemade desserts. Our market area includes dried goods, spices, recipes, pre-packaged sweets from Poland and small traditional trinkets.

PROMOTIONS

Baba's Pierogies has a set budget of \$28,000 for promotions and advertising for the first year of business, which are the following:

SOCIAL MEDIA

Baba's Pierogies will have a Facebook, Instagram and Twitter account to post updates of menus, products and promotions throughout the year

ONLINE ADS

We want to build up our social media following and grab people's attention, so we will be purchasing Facebook and Instagram ads

TOURIST BROCHURES

We plan to be featured in multiple tourist brochures to encourage visitors to try out our food and offer a 4 Free Pierogi coupon. We are also adjacent to a 217-room hotel

NEWSPAPERS

Baba's opening will be announced in the local newspapers along with our social media. We will also include a coupon in the newspaper

NEWSLETTERS

We want to target the locals of Charlotte to try out our food when we first open up and attach a coupon

MAGAZINE ADS

Magazine Ads: Baba's will be featured in local magazines and foodie magazines

PRICES

Baba's Pierogies has an average price point per person that ranges from \$8-\$15 for pierogies, \$10-\$20 for pierogi combos and \$5-\$20 for our other menu items. Other than pierogies, Baba's also offers kielbasa and sauerkraut, borscht and homemade Polish desserts, like poppy seed rolls and babka. We encourage our customers to go with combos to increase the amount they spend when they visit.

Baba's also sells Polish market goods and the average price point spent on those items are between \$7-\$25. The items in the market range from dried goods to spices, recipes, pre-packaged sweets from Poland, and small traditional trinkets.

We offer cooking lessons every Saturday that are 2hrs long and are \$40 per person. These lessons will teach the customers how to make 2 dozen pierogies in an authentic way. Food and drink are included with this cost.

DISTRIBUTION

Baba's Pierogies does not intend on distributing our products while starting up. For future plans, we would love to branch out and start selling our pierogies in stores. With those plans in mind, Baba's will consider opening up a distribution and shipping center.

PRODUCTS & SERVICES

Baba’s Pierogies is located on 120 Brevard Court, Charlotte, NC 2802 with 1,260 SF of space for the kitchen area and dining, as well as space outdoors for additional seating. Baba’s will start out our business with 3 full-time employees and 3 part-time employees. When hiring employees, we will take great time to fill our staff with knowledgeable, kind and hard working people to ensure that our customers experiences with the staff will always be a pleasure. Our goal is to create a family-like staff that works together in achieving our goals as a business. Upon being hired, the staff will receive a pamphlet highlighting their responsibilities, our rules and guidelines, their benefits and our overall goal at Baba’s Pierogies. We will provide our employees with a welcoming environment that encourages them to learn and grow, and we will also give incentives to our employees to encourage them to be their very best. Sick days and paid vacation adding up to two weeks will be provided for our full-time employees, and holidays will be given to part-time and full-time employees. When they are working their 8 hour shift, they will be allowed an hour break and provided with a meal and drink. When they are not on the clock, they will be able to get their meals half off, and our market items with a 30% off discount.

POSITIONS & JOB DUTIES

OWNER/MANAGER (ME), FULL-TIME, SALARY:
hiring/firing, bookkeeping, payroll, promotions, maintenance, helping oversee, support where needed, motivation, placing orders for product

SUPERVISOR, FULL-TIME, SALARY:
scheduling, overseeing the staff, overseeing health and safety regulations and codes, training, performance reviews, reports, phone calls, counting out

COOKS (2), FULL-TIME, SALARY:
cooking, menu writing, helping place orders, prepping, taking care of the kitchen/cleaning

CASHIERS (3), PART-TIME, HOURLY:
greeting guests, keeping the front space clean, taking care of transactions, communication with cooks, giving educated suggestions to guests

OUTSOURCED WORK:
Attorney, Cleaning Service

VII. FUNDING/COSTS

START UP COSTS

KITCHEN EQUIPMENT	
Refridgerator	\$2,800
Stove	\$2,350
Prep Table	\$1,640

Hot Food Table	\$5,000
Installation of Equipment	\$16,000
OFFICE	
Office Supplies	\$6,000
Office Furniture	\$1,200
POS System	\$2,500
OTHER	
Licenses & Permits	\$1,300
Uniforms	\$320
FINAL START UP COST	\$39,110

FIRST YEAR COSTS

Advertising	\$28,000
Entertainment & Meals	\$7,500
Internet	\$720
Printing	\$10,000
Professional Fees	\$13,000
Rent	\$25,500
Supplies/Raw Materials	\$64,860
Utilities	\$1,400
Cleaning Supplies/Services	\$12,000
Eco Friendly Boxes, Utensils, Cups	\$34,910
Supervisor	\$35,000

Cooks (2)	\$80,000
Cashiers (3)	\$37,550
How much will I pay myself?	\$33,000

FINAL FIRST YEAR COST \$383,440

PROJECTED INCOME

Pierogies	\$438,900
Other Foods	\$43,680
Cooking Lessons	\$19,200
Market Items	\$20,160

FINAL FIRST YEAR PROFIT \$383,440

COST & PROJECTED PROFIT

Total Start Up & First Year Costs	\$422,550
Projected Income (First Year)	\$521,940
Total Income Minus Total Expenses	\$99,390

FINAL FIRST YEAR PROFIT \$99,390

THE ASK

Based on the projected numbers, I am asking for \$430,000. I feel that this is the appropriate amount of money that I will to begin my business and cover the first year of expenses. I rounded up, giving myself an extra \$7,450 for any unexpected costs. I plan to pay this loan off within 5 years.

VIII. SOURCES

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<https://www.eater.com/2019/12/19/21029836/pierogi-tradition-history-small-town-restaurants-disappearing>

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