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A BUSINESS PLAN FOR DOG HAUS

By

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A capstone project submitted for
Graduation with University Honors

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University Honors
University of California, Riverside

APPROVED

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ABSTRACT

Dog Haus has been a growing franchise for the last few years and has the potential to become a regional powerhouse. With their unique menu, ghost kitchens, and bar options, this restaurant chain stands apart from its competitors. The idea of this project is to create a business plan regarding opening a Dog Haus location in Glendora, California. The business plan would cover business foundations, execution strategies, market analysis, and financial structuring. By doing so, it would allow for a thorough presentation of how a Dog Haus location can be opened.

ACKNOWLEDGEMENTS

I cannot express enough thanks to my Honor's mentor and Dog Haus representatives for assisting me in this project. From the expert advice from Dr. Sean Jasso, Manish Patel, and Mike Barron, I have been able to complete this journey of a capstone project. This set of individuals have helped me over the last year in learning what it takes to open a business and formulate a business plan.

Without the classes taught by Dr. Sean Jasso, completing this project would have proven to be more challenging. Also, having the opportunity to work at a Dog Haus location and learn everything from basics to management has allowed me to learn a wide array of information. For all of this, I thank these individuals the absolute most.

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Dog Haus

Business Plan

Desi Dawgs, LLC

Business Plan Generated By: Anish Patel

Executive Summary

Dog Haus aims to make a lasting impression in the widely competitive restaurant industry. With competition always on the rise, the Dog Haus brand has no intention of slowing down its growth. In March, a new location will be opening in Glendora, California. This new restaurant will be located inside the Glendora Public Market and operate as a vendor to a food hall. With this new location opening in less than a month, a proper business plan will assist in knowing the business's ins and outs.

The purpose of this business plan is to provide a detailed outline of the start-up process of this Dog Haus location all of the additional components needed. Some of which include a detailed outlook of our products and services, a marketing plan, and financial forecasting. This business plan could be used to attract additional investors or assist in acquiring a bank loan. However, since both are not needed to open this business, the purpose of the business plan is to be informative and show how a restaurant can be started.

According to business analysts, the restaurant industry is expected to have a steady growth of 3.96% up until 2023. This provides the industry with the knowledge of a growing market share ready for the taking. With a focus on the Glendora location, this residential area is growing at an exceptional rate, fit enough for any new business to open. With a start-up cost of upwards of $120,000, opening this restaurant will not be a steep investment. By having a vendor location, overhead costs are manageable, and growth is achievable. We understand the community we are surrounded by and all the demographics associated with it. Also, Dog Haus is well aware of all the competition it will potentially face during its opening.

To beat the competition, Dog Haus stays self-aware of its strengths and ability to succeed. To drive our strengths into success, we plan on using proper marketing strategies for our benefit. Utilizing a local store marketing tactic, we aim to have the best strategy to become popular in the local community. With the industry so heavily saturated, standing out and developing a strong relationship will determine our success level.

The last aspect of this business plan will highlight all the financial background associated with this restaurant. This business plan will describe the projected financial performance of this Dog Haus location from all types of expenses, revenues, and profits. So as a whole, this business plan will describe every key component possible and explain how this new location will be opening and operating.

Mission

At Dog Haus, our mission is to create and embody the gold standard for hot dogs, sausages, burgers, and more.

Vision

Our goal is to prepare delicious meals from a one-of-a-kind menu. We aim to serve fresh, sustainable food options paired with an excellent eating environment.

Mantra

The Absolute Wurst

Company Values

- **Quality -** We aim to provide delicious, high-quality, sustainable food to our customers.
- **Hospitality -** We aim to create an entertaining, fun, family-friendly, and well-rounded enjoyable dining experience for all customers.
- **Community -** We want to create a bond with the restaurant's guests and employees to develop a lasting relationship

Company Summary

Dog Haus is on a mission to create and embody the gold standard for hot dogs and sausages. We are not satisfied with being just another franchise in an undifferentiated field of dining options. Dog Haus is about changing lives with hot dogs and fries. To achieve this mission, we provide uncompromisingly fresh, sustainable, and quality food in a clean, energetic, and fun environment, coupled with excellent service. We strive every day to create a guest experience that goes beyond just eating. The Dog Haus experience creates an emotional connection which strikes a chord in the hearts of our guests, employees, and owners; a bond that brings smiles to faces, satisfaction to taste

buds and compels people not only to return to Dog Haus for more but to share their experience with others.

A major component of our mission is creating a company that is an important and contributing member of the community. Another is to maintain the most desirable work environment possible, value our team, and ensure personal and professional growth opportunities. The way we achieve all of these goals is to ensure that no matter what, Dog Haus is always fun. With this location opening in Glendora, California, this mission and set of goals will transfer directly to this new location

Company Ownership & Structure

The restaurant will be owned by two partners, Manish Patel, and Manish Patel. These two owners will operate this business as a Limited Liability Company (LLC) under Desi Dawgs LLC. Under this LLC, all decisions will be made by Manish Patel and Manish Patel. They choose to operate as an LLC to avoid the levels of risk associated with operating a business. To properly allocate the risk, it makes more sense to operate as an LLC than a partnership, especially since this is a franchise. This particular structure is also more favorable in terms of taxes, future transfers of ownership and can hold more benefits to this business as a whole (Macey, J. R. 1995).

Co-Owner - Manish Patel

- General Management, holds an MBA and is currently a senior level Director with General Electric

Co-Owner - Manish Patel

- General Management, 25+ years of experience in education and hospitality and currently works as Head of School for Sonrise Christian School

General Manager - Mike Barron

- Daily Operations and General Management, 20+ years of experience in restaurant industry and currently holds General Manager position at Dog Haus, Claremont

Manager - Anish Patel

- Daily Operations and General Management, 5+ years in hospitality and will be graduating University of California, Riverside in March to begin a management role at Dog Haus, Glendora

Start-Up Process

The owners have generated about $200,000 from combined savings where a loan should not be required. With a loan not needed, the owners will save themselves from having to make interest payments for years to come unless a loan would become a necessity. This funding will cover beginning lease payments, equipment, starting inventory, initial marketing, and the numerous costs associated with opening a new restaurant.

Type of Expenditure	Amount	Type of Expenditure	When Due	To Whom Payment is Made
Lease Payments	$4,500	Monthly Payments	As Incurred	Glendora Public Market
Legals, Permits, Licenses	$10,000 to $14,000	Lump Sum	Before Opening and some annually	City of Glendora, Los Angeles County, and Third Party
Equipment, Fixtures, Furniture, and Etc.	$40,000 to $60,000	Lump Sum	Before Opening	Third Party Contractors and Suppliers
Signage	$1,500 to $4,000	Lump Sum	Before Opening	Suppliers
(POS) System	$7,000 to $10,000	Lump Sum and Annually	Before Opening	Toast POS
Inventory	$12,000 to $15,000	Lump Sum	As Incurred	Dog Haus Approved Suppliers
Opening Costs	$1,500 to $4,000	Lump Sum	Before Opening	Suppliers
Uniforms	$500 to $800	Lump Sum	Before Opening	Dog Haus

Insurance	$500 to $800	Monthly Payment	As Incurred	Insurance Company
Training	$750 to $1,500	Lump Sum	Before Opening	Program
Marketing	$750 to $1,500	Monthly Payment	Before Opening and As Incurred	Agency and Third-Party Sources
Reserve Cash on Site	$1,000 to $2,000	As Agreed	Monthly and As Incurred	Owners
Totals	$79,000 to $119,800			

Lease payments have already been determined since the location is confirmed to be a vendor in the Glendora Public Market. This particular location will be in a packing house style building where multiple restaurants will also be located. Dog Haus, Glendora will have its own section of this cafeteria styled building and will operate independently. For legal permits, there would be quite a few. The typical health permits, food service licenses, employer identification, occupancy certificate, sign permit, resale permits, seller's permits, and the apparent business license will have to be acquired. There are just some of the few permits needed before opening. All equipment has to be considered for the opening. Also, all prices and costs listed above are estimated off industry averages and self-searched information (M. Patel 2020).

Products and Services

Dog Haus, Glendora will use its standard menu and utilize its three various ghost kitchens with the addition of a fourth in the future. All of these ghost kitchens are branched under Dog Haus and labeled the Absolute Brands (Absolute Brands 2020). With these options, Dog Haus aims to provide its customers with its unique menu and provide extensions to keep customers coming back for more. There will be four available menus, with one addition added every week as the new location opens. Doing so will allow restaurant staff and inventory management to adjust to adding more menu items slowly. We would begin with the original Dog Haus menu. This menu would be physically displayed for all customers to order from. The second menu would be sourced from our

ghost kitchen called Bad Mutha Clucka. This menu will be rolled out a week or two after opening and will contain chicken-based items. The third menu, from ghost kitchen Plant B, will house more vegetarian-based options for customers. For the fourth menu item, it will feature breakfast burritos sourced from ghost kitchen Badass Breakfast Burritos. The fifth menu will be a new addition from Huevos Dias and an extension to breakfast items featuring chilaquiles. Of these five menu items, all will be available to order online, but only the Dog Haus menu, Bad Mutha Clucka, and Badass Breakfast Burrito menus will be open for in-store ordering. All of the menu items will be provided below:

Dog Haus

Bad Mutha Clucka

SANDWICHES

BAD MUTHA CLUCKA

fried chicken breast, lettuce, pickles, miso ranch

THE HOT CHICK

spicy fried chicken breast, secret sauce, pickles, lettuce

KARAAGE KID

japanese karaage fried chicken, haus slaw, sweet island ginger sauce, spicy mayo, wasabi furikake

WINGS

CHIPOTLE HONEY WINGS

chipotle honey glazed chicken wings topped with cotija cheese & scallions; served with miso ranch

KPOP WINGS

kpop honey glazed chicken wings drizzled with sriracha mayo & topped with wasabi furikake & scallions; served with miso ranch

HAUS WINGS

chicken wings tossed in sriracha buffalo sauce; served with miso blue cheese

BBQ WINGS

haus BBQ sauce; served with miso ranch

NASHVILLE HOT WINGS

Nashville style fried chicken wings; served with miso ranch

PLAIN WINGS

crispy fried chicken wings; served with miso ranch

Plant B

Impossible Burger

impossible patty, pickles, lettuce, tomato, onion, white american cheese, secret sauce

Chipotle Avocado Burger

impossible patty, white american cheese, avocado, pickled jalapeños, cotija cheese, fried egg, chipotle aioli

Gooey Lewis

impossible patty, white american cheese, caramelized onions, garlic aioli

Slaw Burger

impossible patty, white american cheese, fries, haus slaw, fried egg, mayo

The Onion Burger

impossible patty, cheddar cheese, onion rings, bbq sauce

The Spicy Basil

impossible patty, white america cheese, avocado, crispy onions, arugula, spicy basil aioli

Take Bánh Mì

impossible patty, cilantro, jalapenos, hoisin sauce, spicy veganaise, pickled vegetables

Impossible Slider

impossible patty, mayo, white american cheese, caramelized onions

Badass Breakfast Burritos

Huevos Dias

TACOS

Mongo's Taco

flour tortilla, scrambled eggs, green chili queso, beef chorizo sausage

Taco 'Bout It

flour tortilla, scrambled eggs, bacon, cheddar cheese, chipotle aioli

Jefe's Migas Taco

flour tortilla, scrambled eggs, tortilla strips, cheddar cheese, crema

Chili Nelson Taco

flour tortilla, scrambled eggs, haus chili, tortilla strips, cheddar cheese, crema

BURRITOS

Buckin' Burrito

3 eggs, smoked bacon, white american cheese, avocado, pickled jalapeños, crispy tater tots, cotija cheese, chipotle aioli; sides of chipotle aioli & hot sauce

Buckin' Impossible Burrito

3 eggs, Impossible Sausage, white american cheese, avocado, pickled jalapeños, crispy tater tots, cotija cheese, chipotle aioli; sides of chipotle aioli & hot sauce

Belle Grande Impossible Burrito

3 eggs, Impossible Sausage, white american cheese, crispy tater tots, spicy basil aioli, avocado, arugula, tomato

Juan's Chilekillaz Burrito

3 eggs, beef chorizo sausage, white american cheese, green chili sauce, avocado, pickled jalapeños, tortilla strips

BOWLS

Keto Loco Bowl

2 sunny side up eggs, arugula, avocado, bacon, cheddar, cotija cheese, crema, cilantro and scallions

Jefe's Migas Bowl

2 scrambled eggs, tortilla strips, avocado, cheddar, cotija cheese, crema and cilantro

Juan's Chilekillaz Bowl

2 sunny side up eggs, beef chorizo sausage, white american cheese, green chili sauce, avocado, pickled jalapeños, tortilla strips

El Guap-Bowl

2 sunny side up eggs, bacon, tater tots, pickled jalapeños, cheddar, cotija cheese, chipotle aioli, cilantro and scallions

Market Analysis

Industry Analysis

Dog Haus, Glendora would be considered in the Restaurants, Food, and Beverage industry. This industry, as stated by IBIS World, generates $178.6 billion annually. Within this impacted market space, the competition will be tough on our business as we aim to attract as many individuals as possible. Los Angeles County has a variety of restaurants with a total of 24,292 restaurants within the region (CDC 2019). Of those restaurants, a majority are members of the Los Angeles Chamber of Commerce, where all of their records are held and viewable. Of the 24,292 restaurants, only a fraction of them can be classified as direct competitors regarding menus alone.

In Los Angeles County, the total number of restaurants increases annually, and competition always remains high. With a densely populated restaurant industry in this county, claiming a large market share will be challenging. The latest national statistics from NPD, which twice a year conducts a census of all restaurants in the United States, fall in line with its outlook onto the foodservice industry. Their research focuses on the performance of restaurants and shows signs of potential for current restaurants.

The United States restaurant market is expected to grow at a CAGR of 3.96% during the period of 2019-2023. The industry is expected to reach a total revenue of $708.9 billion by 2023 (Statista 2021). This growth level is driven by numerous factors such as an increasing proportion of urbanization and personal disposable income. The market faces some challenges as third-party food delivery services come into play, taking away casual diners. To overcome such challenges, Dog Haus will use delivery service providers and follow consumer trends. The United States restaurant market can be divided into two categories: limited-service restaurants and full-service restaurants. In 2018, the limited-service restaurants held a larger share of the market than the

traditional full-service restaurants. The limited-service type is forecasted to grow and collect a larger portion of the market by 2023 (Bhuyan, S., Blisard, N., Nayga, R., & Stewart, H. 2003). With Dog Haus planning on being a limited-service restaurant, proper adjustments will be made to accommodate the consumer's needs. The National Restaurant Association believes that the market's overall growth will depend on the rising incomes and demographics changes. However, with a focus on Los Angeles County, many residential areas are already developed, making it easier to target multiple individuals. As income levels increase, individuals will be more likely to go out and spend money at restaurants. These externalities will affect Dog Haus's performance and reflect off the overall restaurant industry in the United States.

Financial Opportunities

Los Angeles County is one of the many epicenters of restaurant development in California. California alone makes up 12.5% or more of all the restaurants owned and operated within the United States (Hiner, J. 2020). The high population and financial status of Los Angeles County are what make opening this particular restaurant viable. The entire chain restaurant industry, total available market (TAM), generates a revenue of $83.9 billion annually. Of that amount, 40.6% of that revenue comes from American-based chain restaurants, which is estimated to be $34.06 billion. The serviceable available market (SAM) is the 12.5% of restaurants in California, which have revenues as high as $4.25 billion a year. These numbers come directly from the entire state and county generated revenues. However, located in Glendora, California, this Dog Haus location still holds good numbers. With the average income per household averaged around $77,000, this city and surrounding areas provide favorable financial opportunities for Dog Haus.

Target Market

The Customers

With our restaurant located in Los Angeles County, we must know consumers' makeup within the marketplace. In Los Angeles County, there are an estimated 10,039,107 residents within the county (US Census 2019). Within this county, when looking at Glendora, there is a population of 51,544 residents (DataUSA 2020). Of these residents, Glendora contains 16,189 households and hosts 12,866 families. The community's average age is 37-years old, and the population is semi-diverse with a lean towards Caucasian individuals. Our restaurant aims to target individuals between the ages of 19 and 50. However, we realistically have no boundaries on whom we aim to target, and this specific population will provide the most popularity.

As we define our target demographic, we have no gender bias since our restaurant does not plan on attracting one specific gender. Of the general population in the region, we want to reach out to all ethnicities. Even though our restaurant has an American focus, this has no limitations when it comes to all types of individuals. By being a universal food option, any customer will enjoy food from our diverse menu.

Alongside these demographics, Glendora's median income is $74,615 for a household and $81,366 for a family (DataUSA 2020). With our menu being on the more expensive side of things, being in a higher income area supports our financial backing. If we were located in a lower income bracket region, it might be more challenging to attract consumers to our restaurant. Overall, Los Angeles County and the city of Glendora provide favorable demographics for our target customers. With a large population pool, fair income bracket, and favorable age gap, this region is perfect for a Dog Haus location.

Competition

Within the Los Angeles County area, a large amount of competition is poised ahead of our new location. With 40.6% of all restaurants having an American cuisine focus, there is a lot of

market space currently occupied by other businesses. However, with 24,292 restaurants located within the region, assessing all competition in the county would be too much for this business plan. Instead, this plan's competition section will do an overview of all competitors within Glendora, California. With this location located inside the Glendora Public Market, there will be direct competition with some vendors. In addition to this food hall, there will also be competition from multiple nearby restaurants. To determine our leading competitors, I observed the top-visited restaurants within a set mile radius. Comprised below will be a list of the top restaurants and a brief description of how they stand a competition to our location.

1. Vendors located in Glendora Public Market
    - With either other vendors located within the food hall, customers are exposed to other options and it can lead to other businesses attracting clientele instead of Dog Haus (Glendora Public Market 2020)
    - Vendor's located inside GPM:
    - Belly Bombz
    - Boba Break Tea House
    - Bolo
    - Bushi by Jinya
    - Cassidy's Corner
    - Penny Coffee Roasters
    - Portside Fish Co.
    - The Taco Man
2. The Habit
    - A well known burger restaurant will result in competition due to our menu also specializing in serving burgers
3. Five Guys
    - Another franchised burger joint attempting to control the market share for classic burgers and some hot dog options

4. In n Out
    - The most competition we will ever face for burger sales will come from this particular chain
5. Chick-Fil-A
    - Although not widely conflicting with our menu, Chick-Fil-A is a widely popular brand ready to make it difficult for other businesses to attract customers
6. Raising Cane's
    - With the only menu conflict coming from our Bad Mutha Clucka ghost kitchen, Raising Cane's will keep the market share tough to penetrate
7. Wingstop
    - Also competing with Bad Mutha Clucka, Wingstop attracts a wide array of customers daily
8. McDonald's
    - With a slightly similar menu, this franchise still attracts a lot of customers daily and can pose a slight threat
9. The Hat
    - A local favorite, this location will be sure to make attracting customers challenging especially with their famous pastrami
10. Wienerschnitzel
    - This chain is one of Dog Haus' largest competitors since they are the only ones to offer a diversified "hot dog" menu

Competitive Advantage

Upon looking at industry statistics from IBIS World, the chain restaurant industry is densely populated, especially in the American food specialization. The market has become much more competitive over the last decade and will continue to increase. As a matter of fact, you have to be highly creative, customer-centric, and proactive if you must survive in this industry. We are aware of the competition, and we are prepared to compete favorably with other restaurants in Glendora as well as the general Los Angeles County area.

The main competitive advantage of Dog Haus is its unique presence within the restaurant industry. Dog Haus offers a unique menu like no other. With our exclusive supplier and resale contract with King's Hawaiian Bakery, Dog Haus can serve all of its customers delicious sweet bread (1Huddle 2020). Every hot dog-based chain will supply its customers with the same type of bun, a boring roll with a slit in the middle and no additional flavor. With Dog Haus, we have Hawaiian Rolls on our side to make our food elevate to a new level. Alongside our unique menu, Dog Haus has food items trademarked to our brand. We do not give our food simple, boring names. Instead, we use our brand's creativity to make pop culture references or others to make our food items stand out.

In addition to our ingredients and menu listings, Dog Haus prides itself on how aesthetically pleasing it is to see our food. With proper assembly, every item on our menu looks delicious and picture-perfect. Anyone can take a picture of our food without having to worry about it not looking amazing. These characteristics define Dog Haus and show how competitive we can be because we strive to be the absolute best. We will never cut corners and instead are prepared to do anything to please our customers. Located in the Glendora Public Market, this Dog Haus location will be more than prepared to make this goal achievable. With a perfect location, we are in the heart of a densely populated residential area. We have a prime location ready for our grand opening. These traits provide Dog Haus Glendora a prime opportunity to grow and take control of the market space.

Marketing Plan

Dog Haus SWOT Analysis

Strengths

Our primary strength is the uniqueness this restaurant establishes, followed by the delicious menu presented for customers. Our food uses the highest quality ingredients, and we never cut

corners on our products. Aside from our delicious food, our restaurant has outstanding customer service sure enough to keep customers happy. Dog Haus has no limitations to what we can accomplish and create. With a diverse menu and various ghost kitchens, customers will have many options to choose from when dining with us.

Weaknesses

Being in the restaurant industry itself is a considerable risk since it is known that restaurants fail within the first three years. However, it makes having a lasting impression much more manageable with a franchised name in this competitive market. Our primary weakness is going to be our competition, not only from other vendors in the Glendora Public Market but also surrounding areas. Companies can try mimicking our menu but will find serious trouble because the specific ingredients we use are limited to Dog Haus chains alone.

Opportunities

With the Glendora area continually developing and growing, there is an unbelievable amount of potential for this restaurant. Located South of a busy shopping center and in the heart of a residential area, we have the chance to attract many customers in this sector. Dog Haus has the opportunity to become a beloved restaurant in this area.

Threats

Just like any other business, there is always the threat of competition and negative performance. A couple of bad reviews can drive away customers. Improper health code maintenance can lead to failures. Every aspect of running this business must be taken with the utmost care and scrutiny. There is a chance of complete failure and closure for this restaurant if we cannot appeal to the masses, meet standards, and satisfy our customers' expectations.

Marketing Strategies

Dog Haus' marketing strategy is simple. We intend to reach out to a multitude of potential customers across all levels. However, being located near a populated residential area, we aim to utilize a local store marketing plan (LSM). This approach is ideal because Dog Haus is already widely known in the Los Angeles area, and focusing on the local region is more important. With an LSM, our target is to work with the community. We want to create a lasting relationship with customers and establish connections with many people in the area. LSM is a marketing strategy that creates activities designed to help your business stay locally relevant with both customers and the community.

Publicity and Advertising Strategy

Despite the fact that our restaurant is well located, we aim to communicate our brand and what there is to offer effectively. Here are the platforms we intend leveraging on to promote and advertise Dog Haus:

- Encourage the use of word of mouth publicity from our loyal customers
- Pay for local Instagram, Facebook, and Yelp ads to promote our restaurant.
- Reach out to popular social media influencers and request shout outs to entice users to share pictures of our food (Champion 2020)
- Creating a large footprint on social media will allow us to convince individuals to come to our restaurant
- Using Snapchat, Facebook, and Instagram to share stories and daily pictures of our restaurant
- Providing discount codes through delivery services to incentivize individuals to order our food
- Having limited time discounts for special holidays and events

The overall objective of focusing on advertising and social media is to put our restaurant's name out in the public. We cannot only expect people to show up at our door without properly informing others of our existence. Using social media will be easy to get clicks, have our pictures reposted and shared, or even increase the levels of word of mouth. The name of this restaurant needs to reach as many people as possible to assure our popularity. From our grand opening, to daily operations, we expect to create a loyal customer base and attract more individuals.

Local Store Marketing Strategy

Local Media

By reaching out to all sorts of media outlets in the Glendora area, we can push out Dog Haus' name. In terms of print and online sources, we can focus on Glendora City News, Eater LA, LAist, and a wide variety of media outlets for this brand. Local radio stations and TV networks can also be sought to inform others of the new Dog Haus location in Glendora. Aside from the media, there are rewards for various magazines, newspapers, and online articles for restaurants in the area. We can apply and see out a potential reward to display for our location.

Calendar Outreach

With local holidays and simple ones popular online, we can utilize them for our location, from Veterans Day, Thanksgiving, and other national holidays. We can have special promotions for our store. Even for simple ones like Sandwich Day, Cookie Day, and Hangover Day, there are many opportunities for Dog Haus to reach out to customers (Hopkins, J. 2018).

Food Drop Opportunities

There is a prime opportunity to work on Dog Haus' ethos and public image. Food dropping is an LSM strategy that has been used before and can be quite effective. It is relatively cheap on the cost side since the only cost needed to be considered is food costs. We can drop food

at multiple locations, and there are many locations in the region we can reach out to. Areas we can reach out to include healthcare environments, hotels, charities, and all grade-level schools. Below will be images of locations searched in the surrounding areas where we could schedule food drop opportunities

Healthcare & First Responders: Now more than ever, healthcare professionals & first responders are working diligently day and night for the betterment of the community. Providing these groups with complimentary bites is a great way to create a positive image in a new market.

Glendora Police Department
Address: 150 Glendora Ave, Glendora, CA 91741
Phone: 626.914.8250
Distance from Restaurant: 0.7 miles

Glendora Fire Department
Address: 650 E Gladstone St, Glendora, CA 91740
Phone: 626.963.1821
Distance from Restaurant: 0.7 miles

San Dimas Community Hospital
Address: 1350 W Covina Blvd, San Dimas, CA 91773
Phone: 909.599.6811
Distance from Restaurant: 1.4 miles

Emanate Health Inter-Community Hospital
Address: 210 W San Bernardino Rd, Covina, CA 91723
Phone: 626.331.7331
Distance from Restaurant: 3.9 miles

Citrus Valley Medical Center
Address: 210 W San Bernardino Rd, Covina, CA 91723
Phone: 626.331.7331
Distance from Restaurant: 4 miles

Kindred Hospital San Gabriel
Address: 845 N Lark Ellen Ave, West Covina, CA 91791
Phone: 626.339.5451
Distance from Restaurant: 5.2 miles

Casa Colina Hospital
Address: 255 E Bonita Ave, Pomona, CA 91767
Phone: 909.596.7733
Distance from Restaurant: 6.4 miles

Pomona Valley Hospital Medical Center
Address: 1798 N Garey Ave, Pomona, CA 91767
Phone: 909.865.9500
Distance from Restaurant: 6.9 miles

Emanate Health Queen of the Valley Hospital
Address: 1115 S Sunset Ave, West Covina, CA 91790
Phone: 626.962.4011
Distance from Restaurant: 8.2 miles

Kindred Hospital Baldwin Park
Address: 14148 Francisquito Ave, Baldwin Park, CA 91706
Phone: 626.388.2700
Distance from Restaurant: 9.5 miles

Hotel Concierge: Feeding the hungry staff at nearby hotels is an easy way to get locals and visitors alike to check it out Dog Haus Glendora.

Vanllee Hotel & Suites
Address: 1211 E Garvey St, Covina, CA 91724
Phone: 626.915.3441
Distance from Restaurant: 4.1 miles

Home2Suites by Hilton Azusa
Address: 229 S Azusa Ave, Azusa, CA 91702
Phone: 626.239.2015
Distance from Restaurant: 4.4 miles

Days Inn by Wyndham West Covina
Address: 2804 E Garvey Ave S, West Covina, CA 91791
Phone: 626.915.6077
Distance from Restaurant: 4.5 miles

Double Tree by Hilton
Address: 555 W Foothill Blvd, Claremont, CA 91711
Phone: 909.626.2411
Distance from Restaurant: 8.5 miles

Hotel Casa 425
Address: 425 W 1st St, Claremont, CA 91711
Phone: 909.624.2272
Distance from Restaurant: 9.9 miles

Vanllee Hotel & Suites
Address: 1211 E Garvey St, Covina, CA 91724
Phone: 626.915.3441
Distance from Restaurant: 4.1 miles

Home2Suites by Hilton Azusa
Address: 229 S Azusa Ave, Azusa, CA 91702
Phone: 626.239.2015
Distance from Restaurant: 4.4 miles

Days Inn by Wyndham West Covina
Address: 2804 E Garvey Ave S, West Covina, CA 91791
Phone: 626.915.6077
Distance from Restaurant: 4.5 miles

Double Tree by Hilton
Address: 555 W Foothill Blvd, Claremont, CA 91711
Phone: 909.626.2411
Distance from Restaurant: 8.5 miles

Hotel Casa 425
Address: 425 W 1st St, Claremont, CA 91711
Phone: 909.624.2272
Distance from Restaurant: 9.9 miles

Nonprofits & Charities: It's important to give back to the communities in which you serve! Supporting a local nonprofit or charity is a great way to make a good impression with the neighbors. And what better way than to stop by with a free meal!

Shepherd's Pantry
Address: 657 E Arrow Hwy, Glendora, CA 91740
Phone: 626.852.7630
Distance from Restaurant: 0.6 miles

The Children's Advocacy Center
Address: 1650 E. Old Badillo St. #C3, Covina, CA 91724
Phone: 626.331.6700
Distance from Restaurant: 1.9 miles

Assistance League of Covina Valley
Address: 636 E San Bernardino Rd, Covina, CA 91723
Phone: 626.966.7550
Distance from Restaurant: 2.9 miles

Glendora Community Coordinating Council
Address: 255 S Glendora Ave Box 693, Glendora, CA 91740
Phone: 626.914.8229
Distance from Restaurant: 3.1 miles

Planet Rehab
Address: 2745 W Dalepark Dr, San Dimas, CA 91773
Phone: 323.350.0873
Distance from Restaurant: 3.6 miles

Sowing Seeds for Life
Address: 1350 E Arrow Hwy, La Verne, CA 91750
Phone: 909.293.7735
Distance from Restaurant: 3.8 miles

5 Acres
Address: 2934 E. Garvey Ave. S. #102, West Covina, CA 91791
Phone: 626.214.0301
Distance from Restaurant: 4.3 miles

NAMI Pomona Valley
Address: 3115 N Garey Ave, Pomona, CA 91767
Phone: 909.399.0305
Distance from Restaurant: 6.3 miles

Inland Valley Hope Partners
Address: 1753 N Park Ave, Pomona, CA 91768
Phone: 909.622.3806
Distance from Restaurant: 6.7 miles

Youth Inspiration Nation Inc.
Address: 1050 Lakes Dr. #225, West Covina, CA 91790
Phone: 833.588.7836
Distance from Restaurant: 7 miles

Middle Schools

Lone Hill Middle School
Address: 700 S Lone Hill Ave, San Dimas, CA 91773
Phone: 909.971.8270
Distance from Restaurant: 1.7 miles

Royal Oak Middle School
Address: 303 Glendora Ave, Covina, CA 91724
Phone: 626.967.6354
Distance from Restaurant: 2.3 miles

Sierra Vista Middle School
Address: 777 E Puente St, Covina, CA 91723
Phone: 626.974.7301
Distance from Restaurant: 3 miles

Center Middle School
Address: 5500 N Cerritos Ave, Azusa, CA 91702
Phone: 626.815.5184
Distance from Restaurant: 3.6 miles

Foothill Middle School
Address: 151 N Fenimore Ave, Azusa, CA 91702
Phone: 626.815.5132
Distance from Restaurant: 3.8 miles

High Schools

Charter Oak High School
Address: 1430 E Covina Blvd, Covina, CA 91724
Phone: 626.915.5841
Distance from Restaurant: 1.4 miles

San Dimas High School
Address: 800 W Covina Blvd, San Dimas, CA 91773
Phone: 909.971.8230
Distance from Restaurant: 1.8 miles

Glendora High School
Address: 1600 E Foothill Blvd, Glendora, CA 91741
Phone: 626.963.5731
Distance from Restaurant: 3.3 miles

Elementary Schools

Glen Oak Elementary School
Address: 1000 N Sunflower Ave, Covina, CA 91724
Phone: 626.331.5341
Distance from Restaurant: 0.7 miles

Willow Elementary School
Address: 1427 Willow Ave, Glendora, CA 91740
Phone: 626.914.5839
Distance from Restaurant: 0.9 miles

Gladstone Elementary School
Address: 1314 W Gladstone St, San Dimas, CA 91773
Phone: 909.971.8200
Distance from Restaurant: 1.2 miles

Cedargrove Elementary School
Address: 1209 N Glendora Ave, Covina, CA 91724
Phone: 626.966.8675
Distance from Restaurant: 1.4 miles

Washington Elementary School
Address: 325 W Gladstone St, Glendora, CA 91740
Phone: 626.914.2704
Distance from Restaurant: 1.7 miles

Badillo Elementary School
Address: 1771 E Old Badillo St, Covina, CA 91724
Phone: 626.966.1753
Distance from Restaurant: 1.9 miles

Shull Elementary School
Address: 825 N Amelia Ave, San Dimas, CA 91773
Phone: 909.971.8208
Distance from Restaurant: 2.3 miles

Ben Lomond Elementary School
Address: 621 E Covina Blvd, Covina, CA 91722
Phone: 626.974.4101
Distance from Restaurant: 2.4 miles

Cypress Elementary School
Address: 351 Cypress St, Covina, CA 91723
Phone: 626.974.4300
Distance from Restaurant: 3.9 miles

Barranca Elementary School
Address: 727 S Barranca Ave, Covina, CA 91723
Phone: 626.974.4000
Distance from Restaurant: 4 miles

Promotional Budget

As a new restaurant, our marketing budgets need to be flexible since we need to establish our brand image as quickly as possible. With the first monthly budget being the highest, we estimate an initial $5,000 spent on marketing expenses. With the following months dropping to around $3,500, we would aim to cut costs even further after our first year of operations. These numbers are purely estimates but are fair at assuming how much will be spent on marketing at the time of opening this location.

Sales Strategy

Our marketing strategies are designed to get critics and initial customers into our doors. Our sales strategies must take the next step and encourage customers to become repeat customers and to tell all their friends and acquaintances about the great experiences they just had at Dog Haus.

New restaurants often make one of two mistakes: they are unprepared or underprepared for opening, and poor initial service, speed, or quality discourages customers from returning, or they spend all of their efforts at the opening and are unable to maintain the initial quality customers

expect on return visits, decreasing word of mouth advertising and leading to insufficient revenues. Dog Haus' sales strategy requires consistently high-quality food, service, speed, and atmosphere. We can accomplish this by:

- Hiring employees who genuinely enjoy their jobs and appreciate Dog Haus' unique offerings
- Continually assessing the quality of all aspects mentioned above, and immediately addressing any problems
- Interacting with our customers personally, so they know that their feedback goes directly to the owners
- Evaluating food choices for popularity, and properly stocking enough inventory so customers do not have to worry about not being able to order their favorites

Marketing Summary

Overall, there are multiple outlets for Dog Haus to market itself to the local area. Each strategy has its strengths and will be sure to help our new location. The customer and quality of our food and service are our top priorities. Making sure Dog Haus starts on the right foot and maintaining its reputation are our marketing strategies' sole function. From our LSM plans to sales strategies, Dog Haus is ready to work with the community to serve delicious food.

Financial Forecasting

Sales Forecast

With our location located inside of a cafeteria-esque establishment, there is no real limit of how many guests we can serve at a time. The numbers are quite difficult to predict from in-store orders and online ordering outlets, but sales numbers can be estimated. With in-store ordering

hours listed from 11 a.m. to 10 p.m., we can serve as many guests inside the Glendora Public Market. With online ordering, the hours of ordering would be the same with the exception of a 9 a.m. start window for our breakfast menu items through ghost kitchens. Also, all online orders will be unavailable at 9:30 to avoid late pickups and orders past closing. Our store would also be open every day aside from major holidays.

Dog Haus can expect to generate $70,000-$80,000 in monthly sales with our diverse menu offerings (M. Barron 2021). Of these sales forecasts, our highest revenue days would be Fridays and Saturdays. These sales numbers are carried from current revenue markings from a local Dog Haus location owned in Claremont, California. We expect these numbers to be similar to this location's revenue with alcohol sales deducted since the Glendora location will not have any alcoholic beverages sold. Dog Haus Claremont currently services three ghost kitchens and its main menu. The Glendora location will house the same number of outlets with the addition of one more ghost kitchen.

General Food Costs

With all of our sales considered, we estimate that the cost of good sold will come out to be roughly 32% or less of the total sales. This means our gross-profit on sales will be around 68%. These expense estimates have been calculated in reference to ordering volume and costs at the Claremont location. Suppliers would remain the same, and inventory volume would also be similar, so this estimation is fair.

Overhead and Misc. Expenses

With the consideration of rent, insurance, phone, internet, DSP fees, and G&A expenses, three are more cuts towards Dog Haus' expenses. Rent for our location inside the Dog Haus location is $4,500 a month (M. Patel 2020). Our insurance provider has not been determined yet,

but we assume insurance will total around $30,000 a year with monthly installments. Phone and internet expenses are also estimated to be around $15,000 after a year's worth of payments. DSP fees are generated by the total number of online orders made, and we can assume 10% of all of our sales will be used to pay these fees. G&A expenses are minimal and estimated to be around $12,500 annually. In total, with all the expenses considered, we can estimate that Dog Haus will have to set aside 38% of its total sales for these costs.

Personnel Plan & Payroll

We would not need a large team to work during shifts by having a small space for operations. We would have a maximum of five to six people at a time. Three to four kitchen staff and one to two people in the front operating the cash register and bagging food to distribute to customers. This would leave us to have a full staff of six people at a time and a sum of 15 employees to cover various shifts and scheduling options. We would pay front of house members $12 an hour with tips considered, with a kitchen staff making $13 an hour (Department of Industrial Relations 2020). All of these wages are estimated on California Wage Legislation and starting pay. Employees would be offered raises at specific moments to be determined in the future. With staffing averages considered, Dog Haus can expect to spend $210,000 in labor costs. However, this is an estimate with overtime and additional staffing not considered since it is not possible to guarantee certain hours and staff members at this time.

Net Income & Distribution

After all these expenses are considered, roughly 20% of total sales numbers are left for net income. If $70,000 is generated monthly, we can estimate a minimum of $840,000 in annual sales revenue. With the net income estimation, Dog Haus can assume a $168,000 balance in net income. With no loans taken on this location, paying back banks will not have to be considered

for debt. We would keep 5% of this for the restaurant's reserves, thus leaving $159,600 available for partner distribution. Both partners own 45% of the restaurant, with the remaining 10% left for the accountant and angel investors. Both investors, Manish Patel and Manish Patel, can estimate a $71,820 minimum return annually considering the previous financial forecasts. This results in a 15% retention rate on all sales going to partners. These numbers are favorable and can increase if the restaurant is more profitable than estimated. Besides, these numbers can be lower if the owners decide to hire managers, more staff, or have lower sales numbers than anticipated.

Financial Summary

Overall, Dog Haus Glendora has good numbers to make it a worthy investment. This location has an affordable operating space and a high enough potential of sales to keep profits high. Being a well-known franchise and having expert staff and ownership, this location has a fair chance to succeed. All of the numbers forecasting are purely estimates and will be subject to change depending on store performance upon opening. For now, these are the fairest estimates that can be made, and information for these numbers are pulled from a local store located in Claremont, California.

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