YUMMY! cards
Danielle Berkebile & Alison Zawinski
Introduction

- Mission Statement: YUMMY!cards seeks to provide a fun alternative to traditional, boring paper greeting cards by creating delicious, customizable cookie cards.
- Our company goal is to build a successful, nationally known company and to be the customers’ first choice when selecting greeting cards for any occasion.
- YUMMY!cards’ priority is ensuring that each customer receives a beautiful, high quality greeting
- The current objective is to be a completely self-sustaining company within 6 months from the opening of the first location.
Products and Services

• YUMMY!cards’ product
  • an edible greeting card
  • A greeting card and a gift
• We will use a No break, Fail-safe, and Foolproof cookie recipe
• The product will hold up well during shipping and transporting
• They cookie is designed to fit inside a USPS Priority Mail Flat Rate box, size small with the dimensions 8 5/8" x 5 3/8" x 1 5/8".
• The price of shipping:
  • $5.00 if paid online and $5.20 if paid at the post office and these prices include free Package Pickup.
S.W.O.T.

- **Strengths**
  - Unique concept
  - Large consumer market
  - Popular on holidays
  - Cards for every occasion
  - Inexpensive alternative to other delivered gifts
  - Inexpensive ingredients
  - Easy to make
  - Does not require extensive staffing
  - Can operate from a kiosk and baked at an alternative location
  - Online ordering available
- **Weaknesses**
  - Breakability of product while being shipped
  - Lack of patent
  - Brand unknown
  - Lack of funds for advertising
  - Currently only one product available
  - Lack of delivery system
- **Opportunities**
  - Heightened business during holidays
  - Huge trend towards boutique baked goods
  - Can expand
  - Will benefit from foot traffic at malls
  - Ability to create
  - Trend towards environmentalism- can market as a green alternative to paper cards
- **Threats**
  - Subject to FDA regulations
  - Competitor American Greetings has cards with flavor strips
  - Competing with ProFlowers, Edible Arrangements, and CookiesByDesign.com’s cookie bouquets for delivered gifts
  - Customers with dietary concerns
  - Consumers are more concerned with diet because of obesity
  - Environmentalists may be concerned created by the packaging
  - Economy: Rising costs
  - Consumers experiencing financial hardship
  - Lack of financial resources
Business Environment

• YUMMY!cards will be sold in a medium to large sized mall kiosk.
• Foot traffic will be most of our customers when the business first starts out.
• YUMMY!cards will have a minimum of 4 employees.
  • We will consider hiring additional staff to suit demand.
• The product will be baked at an offsite location.
• Delivered every morning to the mall kiosk to be decorated.
• Business hours
  • Monday- Thursday: 10am-9pm
  • Saturday 10am-9:30pm
  • Sunday 11am-6pm
Competitive Environment

- Major competitors
  - Hallmark
  - American Greetings
- Products that will compete with YUMMY!cards are greeting cards that offer a unique aspect like being able to record your own message
- YUMMY!cards has an advantage over other greeting card companies because there is a trend towards artful, handcrafted cards.
- Our indirect competitors include other deliverable gifts
  - ProFlowers
  - Teleflora
  - Edible Arrangements
  - CookiesByDesign.
Market Research

• Americans purchase 7 billion greeting cards every year; the average household purchases 30 cards a year
• Annual sales of greeting cards are estimated to be over $7.5 billion
• Women purchase 80% of all greeting cards
• Prices range from 50 cents to $10; typical counter card costs $2-$4
Operations

• YUMMY! cards will be produced in the home of the owner during the day while the kiosk is running.
• Cards will be delivered to the mall kiosk every morning to be decorated and displayed.
• Alison- general operations, baking, some evening shifts at the kiosk, marketing and advertising
• Danielle- accounting, main kiosk worker, website
# Financials

## Break-Even Analysis

**YUMMY!cards**

<table>
<thead>
<tr>
<th>Cost Description</th>
<th>Fixed Costs ($)</th>
<th>Variable Expenses (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct labor</td>
<td>1,440</td>
<td>0.0</td>
</tr>
<tr>
<td>Website</td>
<td>10</td>
<td>0.0</td>
</tr>
<tr>
<td>Supplies and Ingredients</td>
<td></td>
<td>14.0</td>
</tr>
<tr>
<td>Advertising</td>
<td>50</td>
<td>0.0</td>
</tr>
<tr>
<td>Car, delivery and travel</td>
<td>100</td>
<td>0.0</td>
</tr>
<tr>
<td>Rent</td>
<td>1,365</td>
<td>0.0</td>
</tr>
<tr>
<td>Telephone</td>
<td>50</td>
<td>0.0</td>
</tr>
<tr>
<td>Insurance</td>
<td>150</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total Fixed Expenses</strong></td>
<td><strong>$3,165</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Variable Expenses</strong></td>
<td></td>
<td>14.0</td>
</tr>
</tbody>
</table>

**Break even Sales level =**

- **$3,680**
- Price of each YUMMY!card: **8**
- Number of cards needed to sell per month: **460**
- Number of cards needed to sell per day: **15**
## Profit and Loss Projection (12 Months)

**YUMMIY!cards**

### Fiscal Year Begins

**Jan-12**

<table>
<thead>
<tr>
<th></th>
<th>Jan-12</th>
<th>Feb-12</th>
<th>Mar-12</th>
<th>Apr-12</th>
<th>May-12</th>
<th>Jun-12</th>
<th>Jul-12</th>
<th>Aug-12</th>
<th>Sep-12</th>
<th>Oct-12</th>
<th>Nov-12</th>
<th>Dec-12</th>
<th>YEARLY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue (Sales)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>YUMMIY!cards</td>
<td>500</td>
<td>4.2%</td>
<td>1,000</td>
<td>8.4%</td>
<td>650</td>
<td>5.5%</td>
<td>725</td>
<td>6.1%</td>
<td>850</td>
<td>7.1%</td>
<td>825</td>
<td>6.9%</td>
<td>550</td>
</tr>
<tr>
<td><strong>Total Revenue (Sales)</strong></td>
<td>4,000</td>
<td>4.2%</td>
<td>8,000</td>
<td>8.4%</td>
<td>5,200</td>
<td>5.5%</td>
<td>5,900</td>
<td>6.1%</td>
<td>6,800</td>
<td>7.1%</td>
<td>6,600</td>
<td>6.9%</td>
<td>4,400</td>
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</table>

### Cost of Sales

<table>
<thead>
<tr>
<th></th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>YEARLY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ingredients and supplies</strong></td>
<td>560</td>
<td>14.0</td>
<td>1,120</td>
<td>14.0</td>
<td>728</td>
<td>14.0</td>
<td>812</td>
<td>14.0</td>
<td>952</td>
<td>14.0</td>
</tr>
<tr>
<td><strong>Total Cost of Sales</strong></td>
<td>560</td>
<td>14.0</td>
<td>1,120</td>
<td>14.0</td>
<td>728</td>
<td>14.0</td>
<td>812</td>
<td>14.0</td>
<td>952</td>
<td>14.0</td>
</tr>
</tbody>
</table>

### Gross Profit

- Jan-12: 3,440
- Feb-12: 6,880
- Mar-12: 860
- Apr-12: 4,988
- May-12: 860
- Jun-12: 5,848
- Jul-12: 860
- Aug-12: 5,676
- Sep-12: 860
- Oct-12: 3,784
- Nov-12: 860
- Dec-12: 4,128
- YEARLY: 860

### Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>Apr</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>YEARLY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wages</strong></td>
<td>1,140</td>
<td>28.5</td>
<td>2,160</td>
<td>27.0</td>
<td>1,140</td>
<td>21.9</td>
<td>1,140</td>
<td>19.7</td>
<td>1,140</td>
<td>16.8</td>
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<tr>
<td><strong>Advertising</strong></td>
<td>50.1</td>
<td>13.0</td>
<td>100.0</td>
<td>13.3</td>
<td>50.0</td>
<td>1.0</td>
<td>50.0</td>
<td>0.9</td>
<td>50.0</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>Car, delivery and travel</strong></td>
<td>100.0</td>
<td>2.5</td>
<td>100.0</td>
<td>1.3</td>
<td>100.0</td>
<td>1.9</td>
<td>100.0</td>
<td>1.7</td>
<td>100.0</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Rent</strong></td>
<td>1,365</td>
<td>34.1</td>
<td>1,365</td>
<td>17.1</td>
<td>1,365</td>
<td>26.3</td>
<td>1,365</td>
<td>23.5</td>
<td>1,365</td>
<td>20.1</td>
</tr>
<tr>
<td><strong>Telephone</strong></td>
<td>50.0</td>
<td>1.3</td>
<td>50.0</td>
<td>0.6</td>
<td>50.0</td>
<td>1.0</td>
<td>50.0</td>
<td>0.9</td>
<td>50.0</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
<td>150.0</td>
<td>3.8</td>
<td>150.0</td>
<td>1.9</td>
<td>150.0</td>
<td>2.9</td>
<td>150.0</td>
<td>2.6</td>
<td>150.0</td>
<td>2.2</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td>2,855</td>
<td>71.4</td>
<td>3,925</td>
<td>49.1</td>
<td>2,855</td>
<td>64.9</td>
<td>2,855</td>
<td>49.2</td>
<td>2,855</td>
<td>42.0</td>
</tr>
</tbody>
</table>

### Net Profit

- Jan-12: 585
- Feb-12: 2,955
- Mar-12: 36.9
- Apr-12: 1,617
- May-12: 31.1
- Jun-12: 2,133
- Jul-12: 36.8
- Aug-12: 2,933
- Sep-12: 44.0
- Oct-12: 2,821
- Nov-12: 42.7
- Dec-12: 929
- YEARLY: 31.3
- 12/800: 45.7
- 34,584: 36.3
Next Steps

• Get registered and licensed by the state and county government and the IRS, and obtain food service and business permits
• Get a loan
• Trademark application
• Start the website
• Lease the kiosk
• Advertise