

# YUMMY! cards

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# 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

Cost Description	Fixed Costs (\$)	Variable Expenses (%)
Direct labor	1,440	0.0
Website	10	0.0
Supplies and Ingredients		14.0
Advertising	50	0.0
Car, delivery and travel	100	0.0
Rent	1,365	0.0
Telephone	50	0.0
Insurance	150	0.0

<b>Total Fixed Expenses</b>	\$ 3,165	
<b>Total Variable Expenses</b>		14.0
<b>Breakeven Sales level =</b>	\$ 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)

YUMMY!cards

## Fiscal Year Begins

Jan-12

	IND. %	Jan-12 %	Feb-12 %	Mar-12 %	Apr-12 %	May-12 %	Jun-12 %	Jul-12 %	Aug-12 %	Sep-12 %	Oct-12 %	Nov-12 %	Dec-12 %	YEARLY %												
<b>Revenue (Sales)</b>																										
YUMMY!cards	500	4.2%	1,000	8.4%	650	5.5%	725	6.1%	850	7.1%	825	6.9%	550	4.6%	550	4.6%	600	5.0%	675	5.7%	1,500	12.6%	3,500	29.4%	11,925	
<b>Total Revenue (Sales)</b>	<b>4,000</b>	<b>4.2%</b>	<b>8,000</b>	<b>8.4%</b>	<b>5,200</b>	<b>5.5%</b>	<b>5,800</b>	<b>6.1%</b>	<b>6,800</b>	<b>7.1%</b>	<b>6,600</b>	<b>6.9%</b>	<b>4,400</b>	<b>4.6%</b>	<b>4,400</b>	<b>4.6%</b>	<b>4,800</b>	<b>5.0%</b>	<b>5,400</b>	<b>5.7%</b>	<b>12,000</b>	<b>12.6%</b>	<b>28,000</b>	<b>29.4%</b>	<b>95,400</b>	
<b>Cost of Sales</b>																										
Ingredients and supplies	560	14.0	1,120	14.0	728	14.0	812	14.0	952	14.0	924	14.0	616	14.0	616	14.0	672	14.0	756	14.0	1,680	14.0	3,920	14.0	13,356	14.0
<b>Total Cost of Sales</b>	<b>560</b>	<b>14.0</b>	<b>1,120</b>	<b>14.0</b>	<b>728</b>	<b>14.0</b>	<b>812</b>	<b>14.0</b>	<b>952</b>	<b>14.0</b>	<b>924</b>	<b>14.0</b>	<b>616</b>	<b>14.0</b>	<b>616</b>	<b>14.0</b>	<b>672</b>	<b>14.0</b>	<b>756</b>	<b>14.0</b>	<b>1,680</b>	<b>14.0</b>	<b>3,920</b>	<b>14.0</b>	<b>13,356</b>	<b>14.0</b>
<b>Gross Profit</b>	<b>3,440</b>	<b>86.0</b>	<b>6,880</b>	<b>86.0</b>	<b>4,472</b>	<b>86.0</b>	<b>4,988</b>	<b>86.0</b>	<b>5,848</b>	<b>86.0</b>	<b>5,676</b>	<b>86.0</b>	<b>3,784</b>	<b>86.0</b>	<b>3,784</b>	<b>86.0</b>	<b>4,128</b>	<b>86.0</b>	<b>4,644</b>	<b>86.0</b>	<b>10,320</b>	<b>86.0</b>	<b>24,080</b>	<b>86.0</b>	<b>82,044</b>	<b>86.0</b>
<b>Expenses</b>																										
Wages	1,140	28.5	2,160	27.0	1,140	21.9	1,140	19.7	1,140	16.8	1,140	17.3	1,140	25.9	1,140	25.9	1,140	23.8	1,140	21.1	2,160	18.0	2,880	10.3	17,460	18.3
Advertising	50	1.3	100	1.3	50	1.0	50	0.9	50	0.7	50	0.8	50	1.1	50	1.1	50	1.0	50	0.9	100	0.8	100	0.4	750	0.8
Car, delivery and travel	100	2.5	100	1.3	100	1.9	100	1.7	100	1.5	100	1.5	100	2.3	100	2.3	100	2.1	100	1.9	100	0.8	100	0.4	1,200	1.3
Rent	1,365	34.1	1,365	17.1	1,365	26.3	1,365	23.5	1,365	20.1	1,365	20.7	1,365	31.0	1,365	31.0	1,365	28.4	1,365	25.3	4,000	33.3	8,000	28.6	25,650	26.9
Telephone	50	1.3	50	0.6	50	1.0	50	0.9	50	0.7	50	0.8	50	1.1	50	1.1	50	1.0	50	0.9	50	0.4	50	0.2	600	0.6
Insurance	150	3.8	150	1.9	150	2.9	150	2.6	150	2.2	150	2.3	150	3.4	150	3.4	150	3.1	150	2.8	150	1.3	150	0.5	1,800	1.9
<b>Total Expenses</b>				0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0	0	0.0
	2,855	71.4	3,925	49.1	2,855	54.9	2,855	49.2	2,855	42.0	2,855	43.3	2,855	64.9	2,855	64.9	2,855	59.5	2,855	52.9	6,560	54.7	11,280	40.3	47,460	49.7
<b>Net Profit</b>																										
	585	14.6	2,955	36.9	1,617	31.1	2,133	36.8	2,993	44.0	2,821	42.7	929	21.1	929	21.1	1,273	26.5	1,789	33.1	3,760	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