

dump truck

THE DUMP TRUCK BUSINESS PLAN

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COMPANY DESCRIPTION



- Dump Truck is a mobile restaurant catering to the diverse student and faculty populations at the University of Illinois, Urbana-Champaign.
- Dump Truck provides an innovative approach to restaurant profitability by bringing the product to the consumer.
- Dump Truck creates food that is all organic and locally sourced when possible.
- Dump Truck communicates using Facebook and Twitter, acknowledging a tech-savvy customer in search of quality, value, and flavor.
- Dump Truck is not limited by expenses associated with a fixed location or a large advertising budget, thus our product is profitable w/o sacrificing quality.



COMPANY PHILOSOPHY

Good food feeds the spirit and builds community, one mouth at a time.

- As food awareness quickly grows across the country, consumers are searching for healthy, organic food. Dump Truck will serve dumplings and other Asian fare made entirely from organic food and, when possible, from local ingredients. Given the agricultural location of Champaign-Urbana, acquiring local, organic vegetables will not be an issue.
- Dump Truck will negotiate a contract with the Urbana Common Ground Food Co-op and local farmers so as to ensure access to quality ingredients at a reasonable price. As long as the food being provided is unique in its selection and quality, we believe customers will support our commitment to organic, local food despite the possibility of slightly higher prices.
- The main food choices at the Dump Truck will include various types of dumplings accompanied by a selection of dipping sauces. For \$5, customers can mix-and-match six different dumplings. Every day, the Dump Truck will advertise a daily special that will be sold at the price of two dumplings for \$1. Several side dishes will be available, as well as an assortment of sweet snacks.



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DUMP TRUCK MENU



\$5/MAINS (6 dumplings, choose steam or fried, no MSG, 100% handmade with fresh ingredients!)

Moore Family Farms Pork and Tiny Greens Baby Leek

Juicy pork and Chinese leek pop in your mouth in this traditional dumpling.

Triple S Farms Chicken and Blue Moon Farm Green Onion

Fresh scallions and garlic get their chicken dance on in this dumpling.

Kimchi Pork (Moore Family Farms)

A twist on a Korean classic. Cabbage and pork spice it up, making this steamy relationship a must see (and a must eat).

Kimchi Beef (RK Beef)

Our cabbage beefs up and packs a flavorful punch with every bite. The pork is still jealous of this one.

Tiny Greens Veggie

*Fresh cabbage, shredded carrots, bean sprouts, and glass noodles.
Herbivores, welcome to the Garden of Eden.*

\$2/SIDES

Prairie Fruits Farm Cream Cheese and Jalapeno Wontons (3 per serving)

Spicy jalapenos are covered with silky smooth cream cheese all in a crunchy wonton shell. East meets West in this battle where everyone wins.

Garlic Wasabi Fries

Wasabi?? These one of a kind finger-licking fries come with a rich complex flavor that definitely will keep you yearning for more!

\$2/SWEETS

Chocolate Wontons (3 per serving)

MMM... Chocolate.. Crispy wonton shell on the outside nutella goodness on the inside!

Chocolate Banana Wontons (3 per serving)

Chocobananalicious! Crispy wonton shell on the outside yummy Flatlander Chocolate and warm banana on the inside!

Dipping Sauces: All dumplings come with our signature dipping sauce. One per order (\$0.25 each additional).

Drinks - Coke, Diet Coke, Sprite, Bottled Water, Iced Tea



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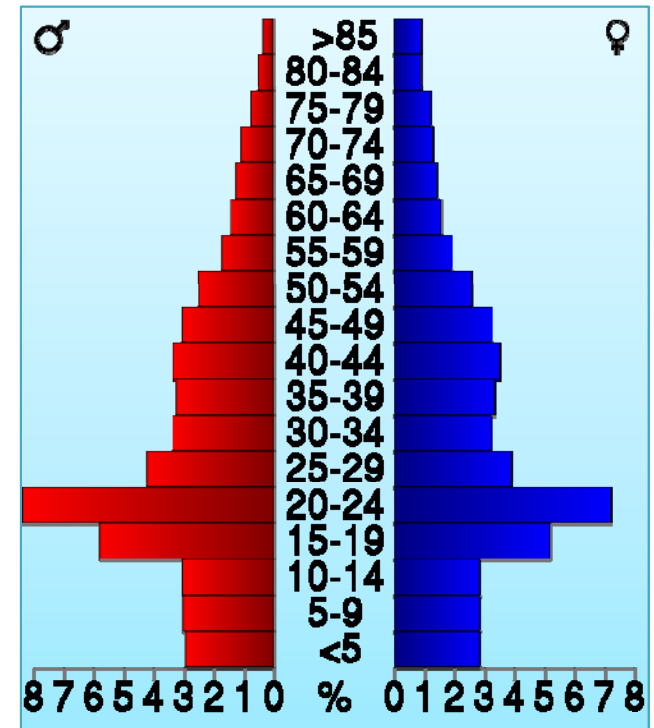
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MARKETING STRATEGY

- **Champaign-Urbana Demographics (2000 Census)**
 - 210,000 residents
 - 41,500 students and 10,000 faculty/staff members
 - Accounts for almost 25% of the Champaign-Urbana population.
- **Location Specific**
 - By strategically choosing locations on or near campus, our business can target customers where they are. We estimate targeting 20 to 30 percent of the University community, or approximately 10,000 to 15,000 people.
- **Technology**
 - By communicating using Facebook and Twitter, we can immediately target socially connected customers and generate buzz, rather than relying on print or costly advertising.



2000 census age pyramid for Champaign County with a marked mode for college-aged individuals due to the presence of the University of Illinois.



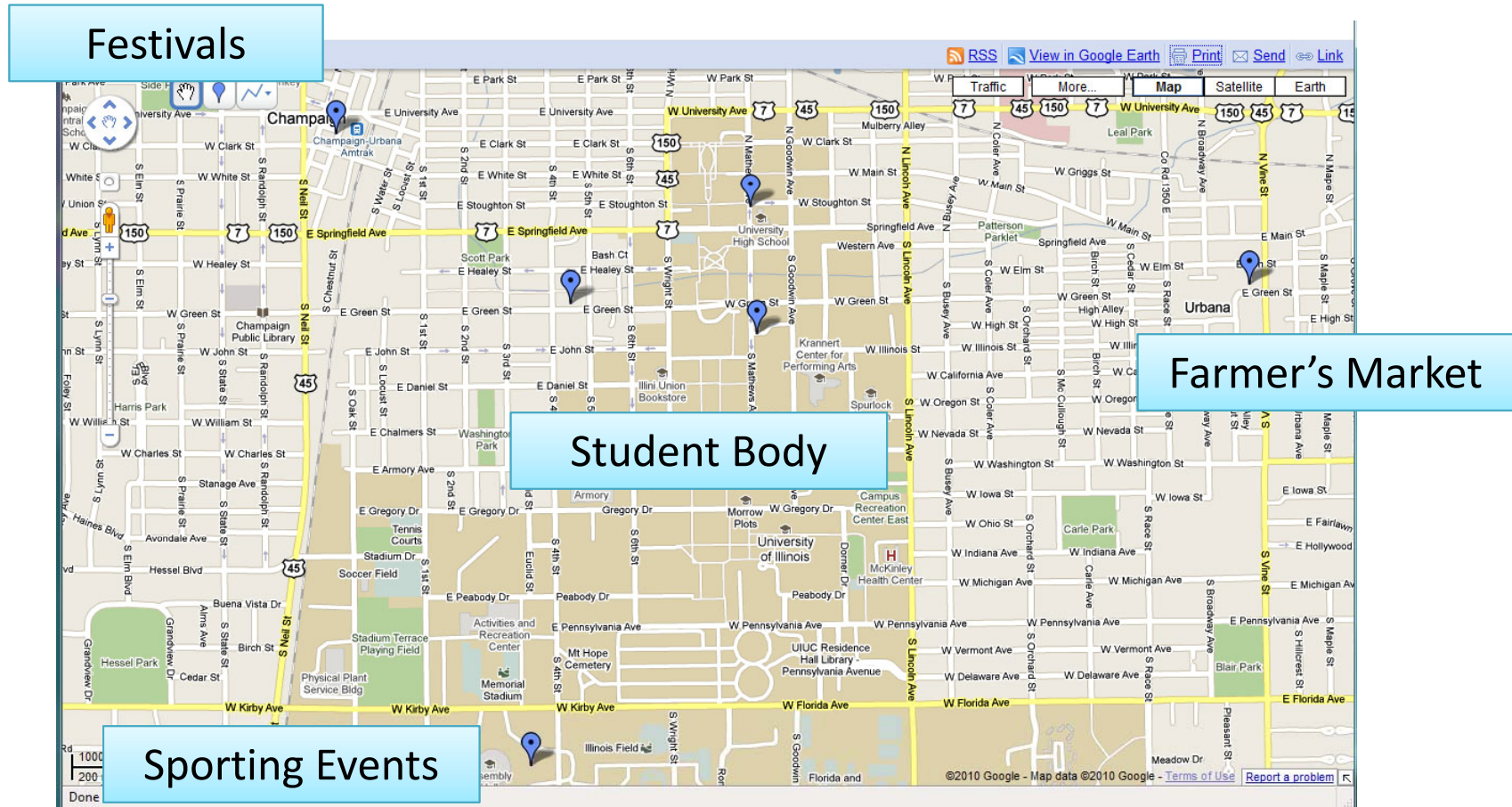
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LOCATION SPECIFIC



Mobility allows the business to target customer demand on any given day at any given time.



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LOCATION SPECIFIC

- **Urbana** – Lincoln Square, Downtown, Courthouse, Market at the Square, Music/Food Festivals
- **Campus** – Illini Union, Green Street, Grainger Library, Undergraduate Library, Football Games
- **Champaign** – Downtown, Music/Food Festivals



SOCIAL CONSUMER NETWORK

The screenshot shows a Facebook page for 'DumpTruck'. The page header includes the Facebook logo, a search bar, and navigation links for Home, Profile, and Account. The main content area features a 'What's on your mind?' text box, a 'Share' button, and a list of posts from 'DumpTruck + Others'. The posts include:

- DumpTruck** Free Bonus Dumpling with purchase of \$5 worth! about an hour ago clear
- DumpTruck** Having a party or a wedding, looking for something unique and local to serve your guests? Try a Dumpling Bar from Dump Truck! Yesterday at 2:31pm · Comment · Like · Promote
- DumpTruck** Look for the DUMP TRUCK for all your dumpling cravings...we're mobile, we'll come to you! Yesterday at 2:03pm · Comment · Like · Promote
- DumpTruck** Meet us at Urbana's Blues and Barbeque for special bbq dumplings with special dipping sauce!! Yesterday at 1:57pm · Comment · Like · Promote
- DumpTruck** Special Dumpling of the Week: Moore and Tiny Greens Micro Greens Dumpling! 6 for \$5 Yesterday at 1:42pm · Comment · Like · Promote
- DumpTruck** 5-6pm Union Yesterday at 1:35pm · Comment · Like · Promote
- DumpTruck** 11am-noon Grainger, noon-1pm Knoyes Lab Yesterday at 1:34pm · Comment · Like · Promote

On the right side, there is a 'Create an Ad' section with a 'Have a Cool Hunting Pic?' ad and a 'BlackBerry' ad. A large image of a steaming basket of dumplings is overlaid on the right side of the page. A blue text box is overlaid on the image with the text: 'Dumpling Special of the week: Shanghai Soup Dumpling!!!!'



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MOBILE TECHNOLOGY

twitter

Home Profile Find People Settings Help Sign out

What's happening? 140

New! Add a location to your tweets. Turn it on - No thanks

Latest: Dump Truck on the corner of Mathews and Springfield...Come n' Get 'em!! less than 5 seconds ago

DumplingYumYum 6 tweets

30 6,000 4,320

following followers listed

@earlybird n. Twitter-exclusive offers just for you.

Home

@DumplingYumYum

Direct Messages 0

Favorites

Retweets

Search

Lists

Lists are timelines you build yourself, consisting of friends, family, co-workers, sports teams, you name it.

New list

Claudia Raia

#dayslikethis

#youfostmyrespect

DumplingYumYum Dump Truck on the corner of Mathews and Springfield...Come n' Get 'em!!! less than 5 seconds ago via web

DumplingYumYum Free Bonus Dumping with purchase of \$5 worth! about 3 hours ago via Facebook

DumplingYumYum Having a party or a wedding, looking for something unique and local to serve your guests? Try a Dumping Bar from Dump Truck!! Sunday, July 25, 2010 2:31:05 PM via Facebook

DumplingYumYum Look for the DUMP TRUCK for all your dumpling cravings...we're mobile, we'll come to you! Sunday, July 25, 2010 2:03:09 PM via Facebook

DumplingYumYum Meet us at Urbana's Blues and Barbe special bbq dumplings with special dipping sauce!! Sunday, July 25, 2010 1:57:39 PM via Facebook

DumplingYumYum yum yum test Sunday, July 25, 2010 1:52:04 PM via web

@FmrsMktUrbana Here for another 30 mins, Special Dumps \$5 for 6, Sides \$3, and free BOBA!



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DAILY BREAKDOWN

- **Lunch Rush (11AM-2PM)** – This timeframe targets locations where a high density of students/faculty require something quick, fresh, and cheap for lunch. Several specific locations will serve as primary stopping points for the truck, which will notify customers via twitter prior to arrival.
- **Dinner Alternative (5PM-8PM)** – This timeframe targets the standard dinner crowd either looking for a quick bite, a snack, or a fast meal.
- **Late Party/Study (12AM-3AM)** – Being located on a university campus



SEASONAL BREAKDOWN

- **Full (8 hours)** – This day targets lunch, dinner, and the late crowd. This schedule normally operates throughout the school year (August-December, February-May) on Wednesdays, Thursdays, Fridays, and Saturdays.
- **Half (5 hours)** – This day targets lunch and dinner. This schedule normally operates throughout the school year (August-December, February-May) on Sundays, Mondays, and Tuesdays.
- **Low (6 hours)** – This day targets lunch and the late crowd. This normally operates throughout the summer (May-August) seven days a week.



ASSUMPTIONS

- **Average Sale** – \$5.00 for six (6) dumplings
- **Dumpling Production Cost** – \$0.30/dumpling
- **Lunch Sale** – 30 to 40 sales/hour
- **Dinner Sale** – 25 sales/hour
- **Late Sale** – 25 sales/hour
- **Full Day (L/D/Late)** – 245 sales, \$1,225/day
- **Half Day (L/D)** – 170 sales, \$850/day
- **Low Day (L/Late)** – 165 sales, \$825/day
- **Labor** – Two (2) employees at \$8.00/hour and one (1) salaried manager
- **Travel** – \$450/month, approximately 1500 miles per month, at 10 mpg



PROJECTED INCOME STATEMENT (2011)

- **Revenue** – \$260,430
- **Expenses** – \$202,821
 - Direct Expenses (Food/Beverage, Supplies, Hourly Payroll) - \$123,065
 - Operating Expenses (Management, Rent, Permits/Licenses, Transportation, Insurance, Marketing, Accounting/Legal, Depreciation, Repairs/Maintenance) - \$79,757
- **Interest/Taxes** – \$17,450
- **Net Profit** – \$40,159



4-YEAR PROJECTED CASH FLOW

	2011	2012	2013	2014	2015
Cash Flow from Operations					
Net Income	\$ 40,159	\$ 42,167	\$ 44,275	\$ 46,489	\$ 48,813
Depreciation	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
<i>Total from Operations</i>	\$ 45,659	\$ 47,667	\$ 49,775	\$ 51,989	\$ 54,313
Cash Flow from Investments					
Vehicle/Equipment	\$ (3,952)	\$ (4,196)	\$ (4,454)	\$ (4,729)	\$ (5,021)
Capital Expenditures	\$ (5,000)	\$ (6,500)	\$ (8,450)	\$ (10,985)	\$ (14,281)
<i>Total from Investments</i>	\$ (8,952)	\$ (10,696)	\$ (12,904)	\$ (15,714)	\$ (19,301)
Cash Flow from Financing					
Investor Dividends	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)
Principal Payments	\$ -	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ -
<i>Total from Financing</i>	\$ (10,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (10,000)
Net Cash Increase (Decrease)	\$ 26,707	\$ 16,971	\$ 16,871	\$ 16,275	\$ 25,012
Cash, Beginning of Period	\$ -	\$ 26,707	\$ 43,678	\$ 60,549	\$ 76,824
Cash, End of Period	\$ 26,707	\$ 43,678	\$ 60,549	\$ 76,824	\$ 101,837

• Key Notes:

- Net income from income statement
- Add back depreciation
- Vehicle/Equipment interest expense
- Capital Expenditure performance incentive
- Investor annual dividend
- Payment of principal on loan in 2012, 2013, 2014
- Net cash at 2015 is \$101,837
- Net income growth target at **5%/year**



4-YEAR PROJECTED BALANCE SHEET

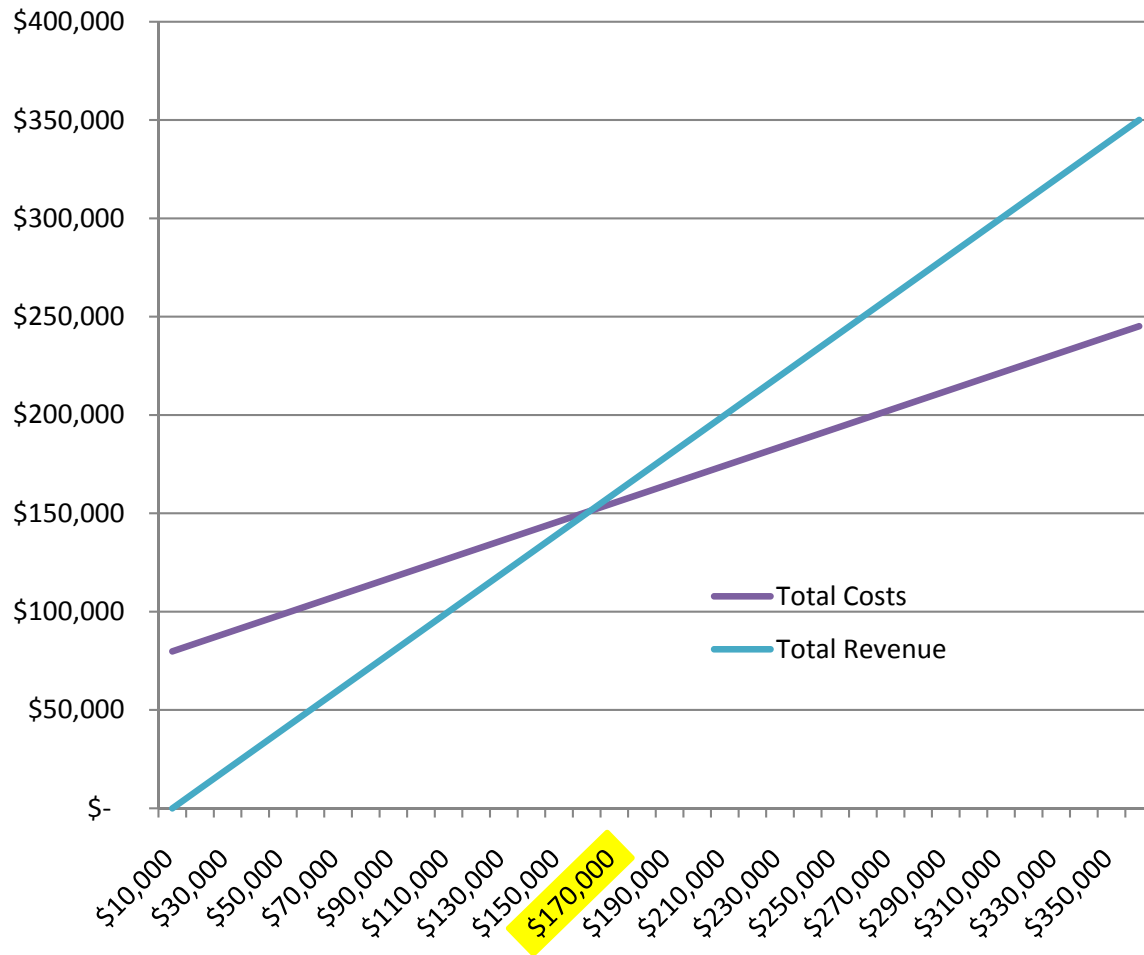
	2011	2012	2013	2014	2015
Assets					
Cash	\$ 26,707	\$ 43,678	\$ 60,549	\$ 76,824	\$ 101,837
Property/Equipment	\$ 21,452	\$ 35,647	\$ 50,102	\$ 64,831	\$ 69,851
<i>Total Assets</i>	\$ 48,159	\$ 79,326	\$ 110,651	\$ 141,655	\$ 171,688
Liabilities					
Short Term Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Long Term Debt	\$ 48,548	\$ 34,353	\$ 19,898	\$ 5,169	\$ 149
<i>Total Liabilities</i>	\$ 48,548	\$ 34,353	\$ 19,898	\$ 5,169	\$ 149
Shareholders Equity					
Retained Earnings	\$ (389)	\$ 44,973	\$ 90,753	\$ 136,486	\$ 171,539
<i>Total Equity</i>	\$ (389)	\$ 44,973	\$ 90,753	\$ 136,486	\$ 171,539

• Key Notes:

- 2015 cash balance from cash flow statement
- Equity buildup in Property/Equipment
- Long term debt falls with principal payments
- Shareholder equity at 2015 is \$171,539



PROJECTED BREAK EVEN ANALYSIS (2011)

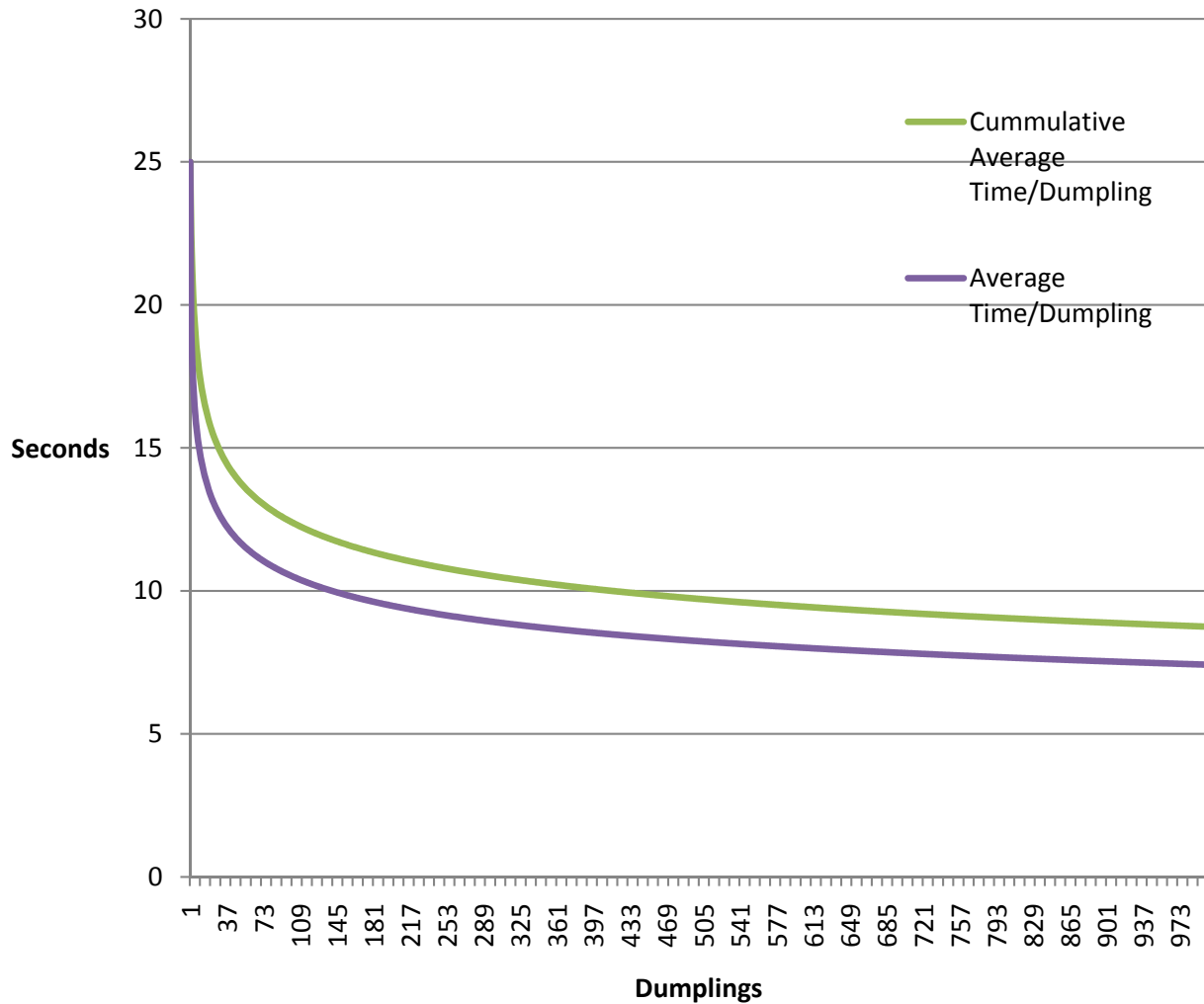


- **Key Notes:**

- BEA approximately \$170,000
- 34,000 annual sales @ \$5.00/sale
- 3,091 sales/month
- 103 sales/day
- 618 dumplings/day



LEARNING EFFECT (90%)



- **Key Notes:**

- Will take approximately 2.4 to 2.9 hours to make 1000 dumplings
- $t_1 = 25$ seconds
- $k = 0.1520$
- <http://www.youtube.com/watch?v=b7mXiSjHrLcaFq6TLo>



FINANCING REQUIREMENTS

- Operating out of a 16' kitchen full-service stand-up rolling kitchen, fully equipped with a large griddle, a stainless steel deep fryer and hood, a large refrigerator, and a 6500-Watt generator
- **Total Financing Package Requested – \$100,000**
 - **Vehicle & Equipment** – \$70,000 financing w/25% down payment
 - **Line of Credit** – \$30,000
- **Investor Down Payment – \$17,500**



Quality & Service Since 1977

8526 San Fernando Road Sun Valley, CA 91352 Tel: (800) 77ARMENCO | (800) 345-0104 | (818) 768-0400
www.CateringTruck.com | armenco@msn.com

Standard Catering Truck Specifications






- ◊ Large griddle with safety shut-off valves
- ◊ Stainless steel two-basket deep-fryer
- ◊ Large gas operated warming oven with automatic thermostat control
- ◊ Stainless-steel steam table with 12 one-quarter-sized pans
- ◊ Three-door mechanical sandwich refrigerator
- ◊ Refrigerated cold-sandwich box
- ◊ 6500 Watt LP generator
- ◊ Large stainless-steel ice chest with three display shelves
- ◊ One 10-gallon coffee urn with hot water jacket
- ◊ Stainless steel hood with three dual-speed fans
- ◊ Automatic Ansul fire suppression system
- ◊ Three-compartment stainless steel dish-wash sink
- ◊ One-compartment stainless steel hand-wash sink
- ◊ Soap & towel dispensers
- ◊ Two napkin & two straw
- ◊ Stainless steel shelving & dry storage compartments
- ◊ Interior/exterior trash compartments with removable bins
- ◊ Solid one-piece aluminum service counter
- ◊ Four to five screened top-vents

- ◊ One to two deep cycle batteries
- ◊ Interior fluorescent lighting system
- ◊ Exterior service-door lighting system
- ◊ 30-gallon fresh-water tank
- ◊ 45-gallon wastewater tank
- ◊ 17-40 gallon wastewater tank for coffee & ice-chest
- ◊ One 30-gallon LP tank
- ◊ Three FDA-approved cutting boards
- ◊ Large menu board
- ◊ One emergency exit
- ◊ Fire extinguisher
- ◊ First-aid kit
- ◊ Back-up warning buzzer
- ◊ Three-trumpet horn
- ◊ All visible areas constructed of stainless steel
- ◊ Options: Microwave; Freezer; Air Conditioner; Chrome Package; etc. (additional costs apply).

Pricing

2008 14,100 GVW Grumman Olson Body/Workhorse Chassis Step-Van & 16' Kitchen:
\$101,800.00 Plus tax, license and delivery.

2008 14,100 GVW Dual-Axle Trailer & 16' Kitchen:
\$70,000.00 Plus tax, license and delivery.

16' Catering Kitchen Manufactured Onto Used or Preexisting Truck or Trailer:
\$58,800.00 Plus tax, license, delivery and purchase price of truck or trailer.

Please Note: Fire sprinkler systems are required in newly manufactured or refurbished mobile kitchens intended for operation within the State of California. We have worked diligently to provide our customers with the best available protection at the lowest possible price. A certified Ansul Wet/Dry Fire Suppression System is priced at \$2,200.00. Out-of-state customers may request exclusion of the systems and deduct \$2,200.00 from pricing quoted above.

Pricing & Specifications Subject to Change.

Armenco Cater Truck Manuf. Co.: www.cateringtruck.com



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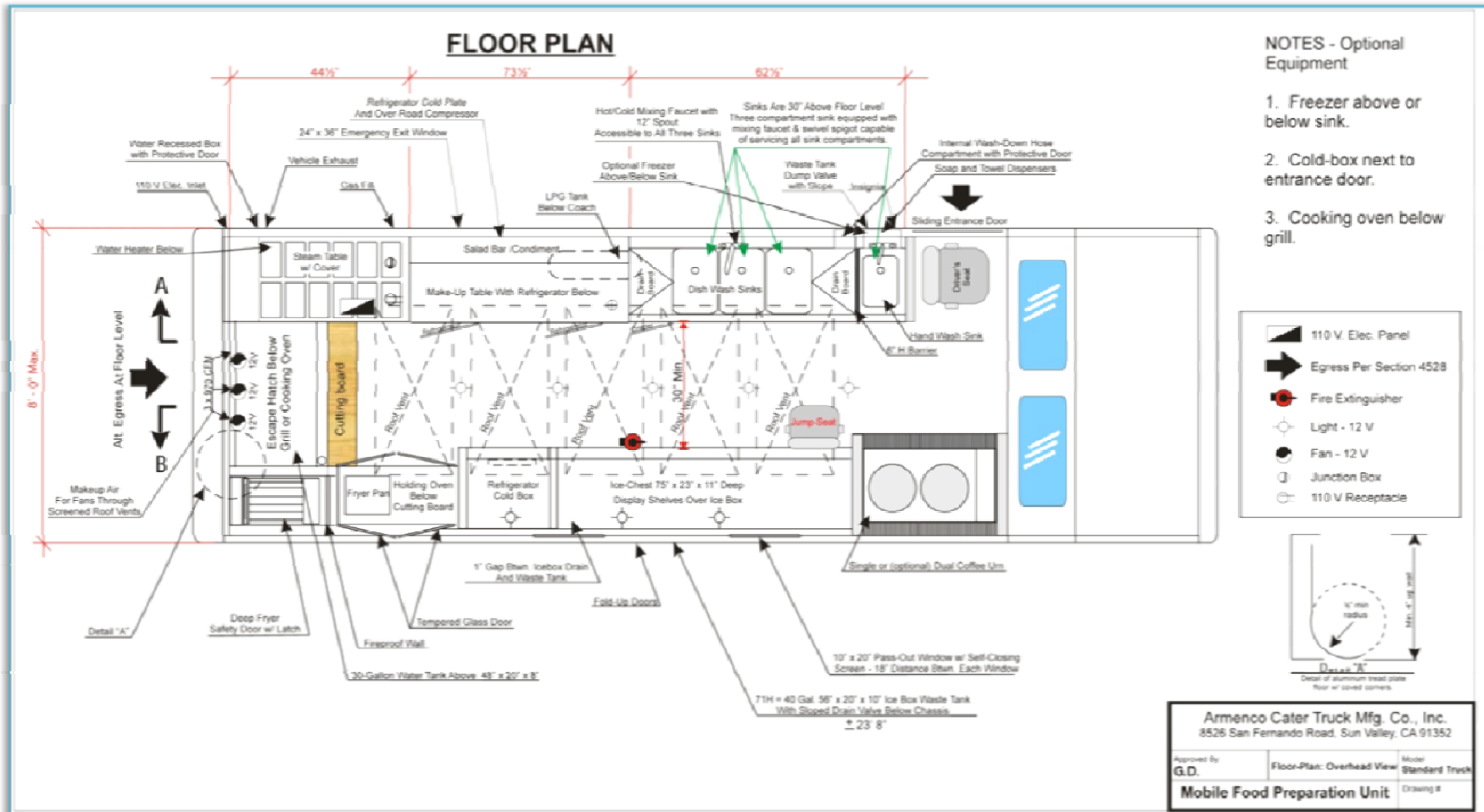
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EQUIPMENT/VEHICLE LAYOUT



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MANAGEMENT STRUCTURE

- **Investors** – Investors provide a majority of the upfront capital to secure financing for the business. They do not have a role in day to day operations, but can influence the long term direction of the business. Investors cannot withdraw funds once committed and may be asked to provide additional capital if necessary. Investors receive a return on their investment through an annual dividend payment.
- **Managers** – Managers are salaried employees that have experience in food management. They handle the day to day operation of the business and are ultimately responsible for profitability, which is tied to an annual incentive/bonus in addition to their salary.
- **Partners** – Partners may act as both investors and/or managers. They are already established in the local food industry and serve as mentors. Partners are compensated similar to investors and can leverage cross-marketing opportunities and/or share costs associated with a physical location.



FOOD TRUCK CULTURE



From Austin, to Portland, to LA, the food truck provides a unique addition to the fabric of a city.



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