

Business Plan

Introduction

Smoking sally's is a new business venture that offers a variety of fast food and traditional cuisine. The restaurant is located at the beach of Florida due to which a large number of customers can be attracted towards the restaurant. The restaurant will multiple kinds of fast food such as pizzas, burgers, fried chicken, fries and all the other items that are relevant to the conventional cuisine. The business will be managed by me and Miss Sally where I shall serve as the chief executive officer of the company. Being a major stakeholder of the company, there are numerous responsibilities on my shoulders as I have to do all the planning regarding this new business venture. The primary aim of inaugurating this business is to provide the residents of Florida with an opportunity to buy food of the highest quality and to enjoy their leisure time at our fascinating restaurant. The business will be focusing on a mid-range target segment as the prices of the goods and services will be kept up to a reasonable extent. The business aims to serve at least 100 customers a day for dine-in, take away, and home delivery service. The leadership of the company has the core objective of obtaining positive cash flows after the first year of operation. The company aims to earn around \$90,000 average revenue per month by providing the customers with goods and services of sublime quality. This will prove to be quite beneficial for the overall wellbeing of the organization as it will help gain the customer's satisfaction. As customers are price-sensitive, thus the business will charge reasonable prices that are within reach of its customers. Additionally, sales promotion prices, discounts, and allowances will be offered to customers to become competitive within the beach area of Florida. The projected financial statements are prepared under the accounting rules of GAAP and principally encompasses certain values that depend on reliable assessments and decisions. The break-even of business is anticipated in the fifth month of operations, and the profitability will enhance over the

next two years because of the high probability of customers. The business has to crucially manage its liquidity on hand to effectively and smoothly deal with working capital. To ensure the overall productivity of the operations, the company will focus on using materials of the highest quality to produce hygienic and tasty food. This paper will provide readers with an opportunity to understand the basics of composing a business plan. Moreover, it will explain the expected outcomes and the operational policy of Smoking sally's.

Legal Form of Business

The business will progress in the form of a partnership where Miss Sally and I are the main stakeholders of this business. The loss and profits will be equally divided between the partners as both the partners will invest an equal number of resources to implement this new business venture (Nard, 2010). I shall be serving as the chief executive officer of the company whereas Sally will be the chairperson of the organization. Both the stakeholders have the core objective of serving the community by providing them with an innovative and luxurious dine-in experience and a feasible option to enjoy their leisure time impressively.

Cost Associated with the Partnership form

A partnership is a kind of business form that is created when two or more persons collaborate with each other to form a new business venture. The profit and loss ratios are decided by the consent of each partner before forming the partnership. The partners can decide the terms and conditions according to their convenience. These partnerships can be formed with a mere handshake or even with a verbal agreement. However, in the corporate sector, there is a need for a properly documented agreement that is composed of all the necessary requirements of the partnership. The written partnership agreement can cost \$500-\$2000 that depends on the nature

of the partnership. A complex partnership agreement can be more costly as compared to a lesser complex partnership.

Reason for Selecting Partnership Mode

The partnership model of business can bring many pros and cons. One of the major benefits of this mode is that the amount of tax to be paid is divided among the partners due to which it does not put much burden on a single stakeholder. The primary aim of selecting a partnership mode for smoking sally's is the convenience in the tax process. In the partnership model, the amount of revenue achieved by a partner is exempted from the income tax for that particular partner. The company will operate in the private limited mode rather than the public limited mode. There is not any need of consuming a significant number of resources to develop a private limited company which is not the case in the other mode of operation. This form will have limited liability and due to which the invested resources will not be subjected to a high amount of risk. This will provide the stakeholders with an opportunity to not worry much about the risk factor and to work for the progress of the company in an efficient manner.

Advantages and Disadvantages of Partnership

The partnership model has numerous advantages and disadvantages and some of them are given below.

Pros

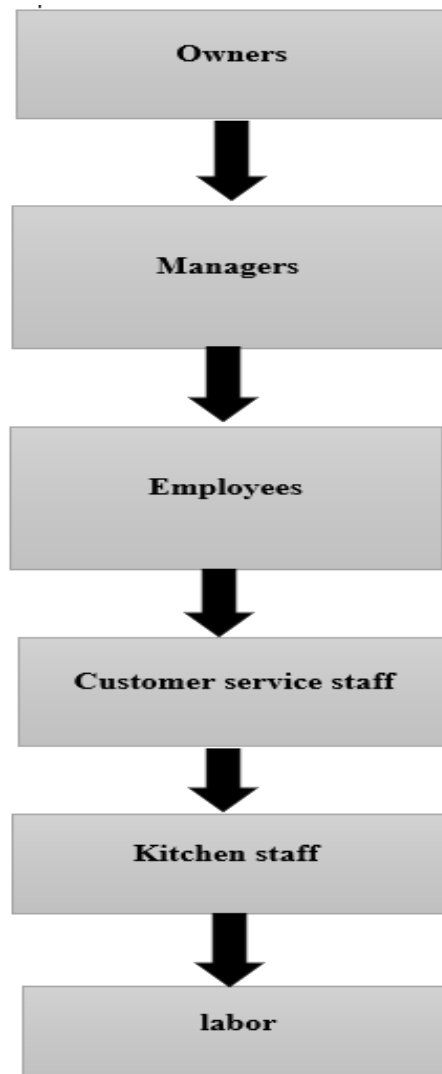
- The most prominent advantage of this form is the number of owners as having more than one owner can prove to be quite beneficial for the overall wellbeing of an organization.
- The investment cost is reduced.
- The legal structure can be easily modified if required.

- There is not any complex external regulation.
- Expert persons can be added as partners.

Cons

- Liability can be unlimited on some occasions.
- There is always a risk of conflict among the partners.
- Each stakeholder can liable for the improper actions of the other partners.
- If a partner withdraws himself/herself from the partnership then the other partners have to bear all the cost which can prove to be detrimental for the organization.
- Smoking Sally's has considered all the aspects before forming the partnership and both the partners are willing to work for the progress and betterment of the organization.

Types of Officers



The owners of the company will be directing the managers to carry out certain operations and the employees will be handled by the managers who will maintain all the necessary operations at the back end. The customer care staffs, the kitchen staff, and the labour/helpers are the other kinds of staff that are required by the company to carry out the whole process efficiently and productively.

The top leadership of the company will be composed of different managers who belong to different departments. These departments include the finance department, quality assurance department, human resource department, operations department, and cooking department. All the members of these departments will work under the supervision of their managers who will be directly informing the owners regarding the accomplishment of per day targets.

Federal Requirements

Following are the federal requirements for starting a business venture in Florida.

- Determine the operational infrastructure.
- Registration with the department of state.
- Registration of the business's title.
- Registration of EIN.
- Registration with the Florida department of revenue.
- Possible ways of obtaining funds for the business.
- Registration for new hire program.
- Application for a permit or license for the registration.
- Opening a new business account that is dedicated to the business.

Steps to Qualify.

- Proper planning.
- Determine the business strategy.
- Business Name.
- Register with the essential departments.
- Look for ways to arrange business funds.

- Licensing and Registration.
- Opening of a dedicated bank account.

These are the key outline steps that are required to be implemented to get qualified to open a new business venture in Florida. Smoking Sally's has got all the basics covered in this regard and only the licensing process and bank account opening process are left. These processes will be completed in a time of 2-4 months and after that, the restaurant will be opened for operations.

Researched Work

To open this restaurant, some important research was conducted to investigate the essential steps to start a restaurant venture in Florida. The important steps and highlights of the research are as follows.

- Proper licensing is required for a restaurant in Florida.
- Reviewing the food service plan in Florida.
- Filling the required applications in order to open a new business venture in Florida.
- Registration of the sales tax and the payment of the license fees.
- Registration for EIN.
- Inspection of the market situation for the desired industry.
- Consideration of the local, regional, and state requirements.

The conducted research has exhibited these important aspects that are to be considered before starting a food business in Florida. Sally and I have worked hard to investigate these amazing facts and we are focusing on accomplishing these steps before starting this new business.

Legal Setting of Business

Government Laws and Requirements

The food business in Florida is regulated by the department of business and professional regulation (DBPR) and there are numerous government laws and requirements that should be considered while starting the Smoking Sally's restaurant in Florida. The important licensing rules include the FSSAI, Liquor, Trade/health, lift clearance, music, environmental clearance, and eating house license. The most important that needs to be considered in this regard is that the food organizations must have an annual food permit otherwise the organization will not be allowed to sell food items within Florida. Smoking Sally's has already applied for the annual food permit and hopefully, it will soon receive approval from the Florida department of agriculture and customer services (DOACS). The organization will start its operations on the receipt of the required permit and licenses.

Zoning Requirements

These are the requirements that are important to consider while choosing a location for a restaurant. The restaurant will lie under commercial zoning. The most thing for the restaurant to consider is which sections of the beach area are not restricted by the government (Shoup, 1978). The owners will look for such areas that are eligible according to the zoning requirements and the restaurant will be located in areas that are legally permitted to carry out the operations.

Safety and Environmental Requirements

The department of health in Florida inspects the quality of food that is sold by different restaurants with the help of a program named "Food hygiene Inspection Program". The organizations that are found guilty of selling low-quality food will be fined by the health department or may face a permanent ban.

Smoking Sally's has designed an impressive strategy to cater for the issue of food quality as it will hire professional quality assurance inspectors in that particular department who will ensure the fact the quality of the food produced by the restaurant is remarkable.

Location Requirements

Location of the Business

The restaurant will be located in the beach area in Florida and due to this a lot of customers will be attracted to the restaurant. This will be a rent-based location and the rent will be paid on monthly basis. The total cost in terms of rent per year will be \$1200. The primary aim of selecting this location is that every kind of segment can be targeted in such areas irrespective of the fact that they have a high or low economic status.

Viability of the Business

The location of the restaurant is impressive in many aspects as it will provide great ease and convenience to the customers due to the fact that it is near the beach area that is easily accessible by the residents of Florida. Many options can be used by the customers to reach the destination as many local and private buses travel towards the beach on regular basis. Moreover, as previously discussed that the prices of the goods will be kept up to a reasonable extent due to which it will be convenient for everyone to buy their favourite food items from Smoking Sally's.

It can be said that the business will prove to be viable in almost every aspect and has the potential of achieving amazing heights within the local business sector.

Debt Required

As described previously that the business will use a rented location so there is not any cost to be paid in terms of purchasing the property. Moreover, the company will be paying around \$1200 per year in the form of rent and the advance payment for the location will be around \$500 that is required to be paid only at the time of the agreement.

Business License and Research Cost

License and Permits Required

Different kinds of licensing and permits required to make the restaurant operatable. These important licenses include the business license, EIN, occupancy certificate, Permit of signature, healthcare permit, music, food service, and resale permits. These permits are required to operate a restaurant in Florida and Smoking sally's has already got most of these permits. These licenses will not have much impact on the organization as their cost is around \$50 only plus a very little amount of renewal fees. However, the cost still depends upon the kind of agreement but in Smoking sally's case, there are not many complexities in this regard.

Insurance Requirements

Type of Insurance

Like the other restaurants in Florida, the smoking sally's restaurant will also be needing some sort of insurances to keep the process running smoothly. These insurances include unemployment insurance, life insurance, commercial auto insurance, worker's comp and general

restaurant insurance. The provision of insurances to the employees can keep them motivated towards working for the progress and betterment of the organization due to which the company can achieve the desired competitive advantage in the market.

Bonding

Bonding is required in Florida in order to run a restaurant business. All the restaurants have a license bond with the contractors that are obtained from the department of business and professional regulation. Smoking Sally's will also have to obtain a license bond from the departments to avoid any inconvenience in the future.

Mandatory Insurances for the Employees

The restaurant will have many employees and each of them will be provided with the necessary insurances. These important insurances include life insurance, unemployment insurance, and worker's comp insurance. Providing these insurances will ensure the fact that the employees are working hard to increase the productivity of the company. Therefore, Smoking sally's will focus on the provision of these insurances to its dedicated and hard-working employees.

Proprietary Rights

Intellectual Properties

The company will possess different kinds of intellectual properties such as trademark, patents, and a logo. Smoking Sally's will have its patent regarding the title and the logo due to which no other company can copy its logo or title. The company will have its trademark that cannot be copied by any of the other company. In case of violation, the company will have the

right to take legal action against the violator. The trademark of the company will be as same as the name of the restaurant “Smoking Sally’s”. The logo of the company is as follows.



Steps to Protect Intellectual Property

Intellectual property protection is a must to avoid any inconveniences in the future. The company will have to take some necessary steps in this regard (Hanel, 2006). Smoking sally’s will have to register its copyrights, trademarks, products, and patents. Moreover, the important details should be kept confidential to protect the intellectual properties effectively. These are some highly important consideration to ensure the safety of the company's intellectual properties.

Employment Law and Requirements

Federal Laws

There are numerous kinds of federal laws that must be followed by organizations. These important laws include the Occupational safety and health act (OSHA), affordable care act (ACA), Laws regarding child labour, age discrimination in employment act (ADEA), wage and hour laws, national origin, race, sex discrimination and religion laws, along with the other relevant laws. All these laws are important to follow to avoid any disparity or inconvenience regarding the legal aspects of the organization. Smoking sally’s understood the importance of

rules and regulation thus, it will follow all the significant rules and regulations that are to be followed to sustain in the business sector.

The company will hire both employees and independent contractors. The core objective behind hiring employees is their loyalty towards the company whereas hiring an independent contractor can be a cost-effective option for the company as there are not much payroll responsibilities on the organization' shoulder for an independent worker. So, the company will be hiring both of them according to the needs of the company.

Mandatory Tax

The mandatory tax that is required to be paid by the restaurants in Florida is 6%. This tax must be paid by the organizations to avoid inconveniences in the future.

Purchase Orders and Contracts

Pricing Agreement

The agreement will be based on a firm-fixed-price contract due to which the management of the company would not be subjected to significant risks whereas the bulk of the risk will be on the shoulder of the contractor himself/herself (Becker, 2017). The other regulations that are required based on the mix and government contractor status are cost-effective and can be utilized whenever the company needs them. The company will be using both direct hiring and government contractor methods to recruit the best possible staff for smoking sally's.

Other Types of Contracts

A time and materials contract is another option that can be used in this regard. This contract is not a permanent one due to which the organizations are not compelled to pay for a fixed period and the contract can be cancelled whenever the assigned task is completed.

Torts and Crimes

There are a few torts and crimes that can adversely affect the overall wellbeing of an organization (Robertson, 1992). Specifically, talking about the restaurant industry it is evident that numerous issues can arise as a result of negligence and incompetency by the staff. The quality of the food is the key to a restaurant's success. If the quality of food is not up to the mark, then it can impose destructive impacts on the health of the customer. Some common torts that can occur as a result of negligence are as follows.

- Death due to food poisoning
- Wrongful Death
- Accident due to negligence
- Defamation
- Trespass

Property and Requirement

Company Property

The company will need some basic equipment such as kitchen accessories, computers, furniture, and some motorbikes for home delivery. Smoking sally's will buy all these things because it will be more convenient to invest for a single time rather than investing every month in the form of rents.

UCC Considerations

Like the other companies, smoking sally's will comply with the UCC considerations by providing the customers with a safe and hygienic food that does not have any adverse impact on their health. Moreover, the company will hire quality insurance experts who will keep on checking the productivity of the process on regular basis.

Other Requirements

The business must be started with proper planning and the stakeholders must be clear about all the necessary aspects of the new business venture. The owners must think of ways to improve the operational strategy of the company due to which the operations will be carried out efficiently. Before ending the business, the partners must divide all the assets and the employees must be provided with their pending wages to prevent any disproportion in future.

Conclusion

Smoking sally's is a restaurant that will offer high-quality fast food and traditional food to its customers. The business will operate in dine-in, take away, and home delivery mode. The business has a primary aim to earn positive cash flows after the first year of the operation. The business will be located in the beach area of Florida due to which it can attract a lot of customers towards itself. However, some legal procedures are required to be considered to start a new business. The different kinds of licenses, patents and approvals will be obtained from the higher authorities and the business will take care of its intellectual properties. Moreover, the company will protect itself from the possible trots and crimes that the company can face in near future.

This paper has described all the essential rules and regulations to form a new business in Florida. Furthermore, it depicted the importance of following rules and regulations to start a business or to run the existing one efficiently.

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