

Spice As Nice

Business Plan



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Executive Summary

‘Spice as Nice’ is an online retailer of organic spices. The spices sold are 100% organic in order to allow people to continue fully with the lifestyle of being “organic”. As we enter a new age, people attempt to be as healthy (at the same time as helping the environment) as possible. While many people buy organic snacks at the grocery store, organically grown fruits and vegetables and organic meats and fish, many do not know that the spices they are preparing their dinners with are grown in a manner that can pollute their body with harmful chemicals used in the agricultural process.

We buy our spices from a partner wholesaler. Since these spices are sold in amounts no smaller than 1 pound, we redistribute the spices into ‘Spice As Nice’ containers and re-sell them this way to people who do not want a pound of spice.

Not only are we selling these products to help and encourage people to be healthier, but also encourage the world to be cleaner. As it is commonly known, pesticides have a harmful affect on the environment. BeyondPesticides is a non-profit organization that works to inform people about the risks of pesticides as well as work towards eliminating the use completely. We donate a percentage of our profits to this organization in order to work for a better world.

Market Analysis

After research of our business and product sales we were successfully able to identify much strength, weaknesses, places for potential opportunities and threats.

Our strengths are one of the most important parts we learned from our research. It is important that we can identify our strengths and also build on them to make it as strong of a business as possible. One of our strengths has to do with the way our product is grown. Since organic is healthy, we can market it that way and people will be more attracted to the product. Recently healthy-lifestyle has been an increasing interest of many people around America. Organic products are increasingly popular among these people. Currently people already buy many organic products, but organic things are not something that you can have too much of, anything that can contribute to an organic lifestyle is a positive. Another strength we have is the type of product we are producing. Most people use spices every day in cooking. Because of this there is a high demand for this product, so people would be interested in buying it. Our product is a quality product that will attract many consumers.

A few of our weaknesses come from our business experience and knowledge. Running this business will be a learning experience. Another weakness we have is our way by which we attain our materials and product. Since we are an organic spice company we have to import our spices from another retailer who sells in wholesale. This is more work than if we had our own farm, but that is not practical for our business at this time. This also costs more than if we had all the materials ourselves because the retailer has to charge more to make money themselves. The last weakness we have is that our costs might be higher than regular spices because of the carefulness and quality of materials we use to grow organic, healthy quality spices.

As well as strengths and weaknesses, our business has a few potential opportunities that we can strengthen and work towards for the future of the business. One opportunity is broadening our product span. Instead of just organic spices we could sell organic fruits, vegetables or other foods. Another opportunity is to broaden the way that the customer accesses our product. We can open a store or stores, or we could sell our products in other physical locations making our product more accessible to customers because they won't have to go through the trouble of ordering it online. Lastly an opportunity our business since it is an online

business our customers will not have to go out of their way, or be inconvenienced, they can just order their supplies quickly online.

Lastly our threats are a very important part of our business. One of our threats is that there are multiple other organic spice companies, which means that we will have to find a way to make ours better than the others. Another threat is that it is easier for people to just pick up regular spices at the store. Since spices are available in any store we have to be able to find a way for the consumer to feel like they really need to buy our product and not others.

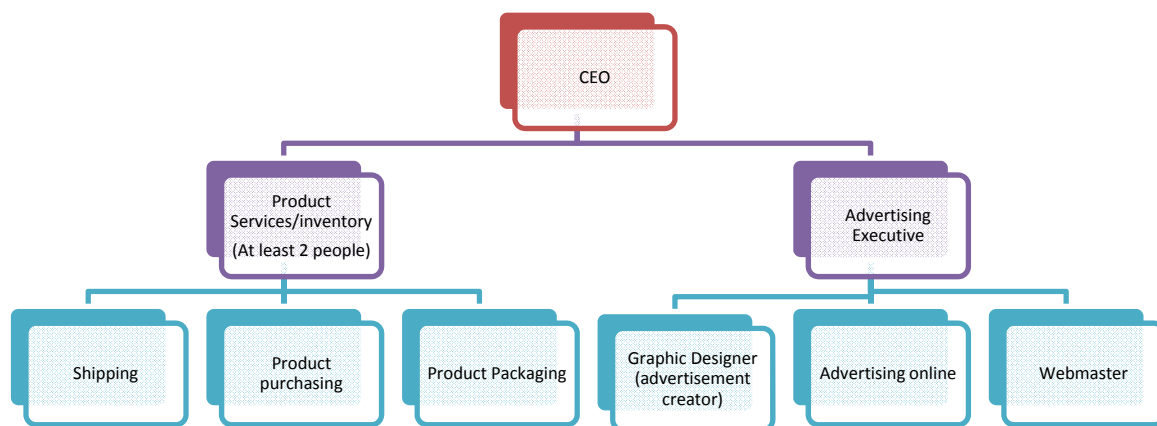
Since our company is an online company, for the time being, we will have easy distribution from business to consumer. When they order their products online they will include all their delivery information. As well as the cost for the product they will have to pay flat shipping and handling fee which we will be able to send through FedEx using their flat rate shipping boxes. We will ship them their product within the next few business days. The promotion of our product will be tricky since it isn't that easy or common to advertise for spices. We will start with advertising online on cooking website such as FoodNetwork.com, Cooking.com, CooksIllustrated.com and Cooks.com to begin. We will also try to advertise in cooking magazines such as Better Homes and Gardens, Bon Appetit, Cooking Light, Everyday with Rachel Ray, Good Housekeeping and Vegetarian Times. Eventually we hope to be able to have our products "plugged" into cooking shows.

Company Description, Organization and Management

Spice As Nice is a company dedicated to providing consumers with an organic alternative to everyday cooking spices. We support an organic world.

Since the store bought spices, which are used very often by people, are grown using pesticides, insecticides and herbicides which can be harmful on the human body, our mission is to provide them with a healthier, organic alternative. We buy our spices from an organic wholesaler and re-distribute and re-sell them in smaller portions to suite the everyday use.

Spice As Nice is made up of 4 people running the business. The CEO of the business oversees the business, makes any final decisions regarding the business, as well as working on the expansion and research on the success of our business. Then there are two people designated to Product Services and Inventory, who will be in charge of shipping the products to the people, purchasing the wholesale spices from Starwest-Botanicals and repackaging the product into the containers we supply. The last person of the business is the Advertising Executive. This person will preferably be a graphic design major who can be in charge of maintaining the website, creating advertisements and advertising. This person will also collect all the online orders from the site and distribute it to the Product Services and Inventory employees.

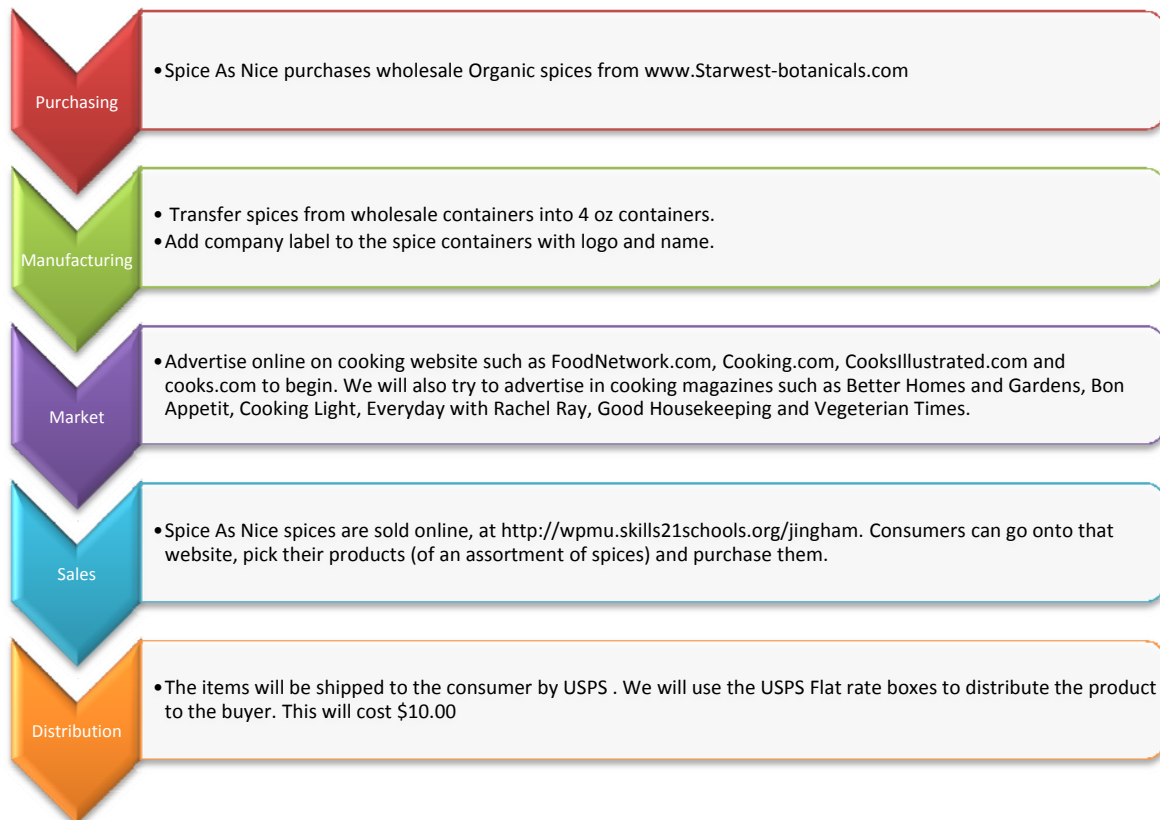


Description of Product Line and Marketing Strategy

Spice as Nice sells organic spices in .5 oz containers. Since spices grown organically are hard to come by, we provide them with a way to purchase the product. This product meets the customers' needs because it is easy to buy (purchasing online and distributing within days) and is a necessity for many people who cook often. Many people who are looking to be more organic will look to this product to add that last organic touch to their cooking.

The pricing of this product can be seen in the price chart below. Since each spice costs different in wholesale purchase we have to sell them each at different prices for a .5 oz supply. These prices are very competitive to the normal store bought spices, they are very close. It is a great deal for something organically grown. Spices at the store cost between 3 and 5 dollars for a container of .3 to .5 ounces.

Our target market is adults who enjoy cooking or cook often. This is especially for adults with families who they try to provide healthy meals for everyday.



Funding Request and Financials

In order to start our business successfully we would need \$6,430.54 as an initial cost. This covers licenses, starting inventory, appliances (such as computers and printers) and rent of a building in order to have what we need to begin.

The monthly cost of our business is about \$9,500 a month. This includes salaries of both the owner and employees. This also includes utilities, rent, supplies advertising and professional fees.

Three to five years into the life of this business, the business will be steadily receiving orders for spices. Will we have paid off the loans and therefore the money coming in will be strictly profit. Hopefully based on our marketing plan we will be advertising in some of the mediums in which we planned to work towards.

One-Time Start Up Costs	
Starting inventory, raw materials, tools, etc.	\$1,346.64
Business licenses and permits	\$60
Operating Cash	\$2,500
Computer (MacBook)	\$2,200
Printer (HP Photosmart C4680 All-in-One Printer)	\$199
Rent & security deposit (often equals 3 months rent)	\$99.95
Label Making Software (Sure Thing 5 Software)	\$24.95
Total	\$6,430.54

Monthly Costs (excluding Rent)	
Salary of Owner Manager	\$3,200
All Other Salaries, Wages and Comissions	\$5,760
Advertising (print, broadcast and Internet)	\$30
Postage and Shipping Costs (paid by consumer)	\$0.00
Supplies (inks, toners, labels, paper goods, etc.)	\$50.00
Telephone (AT&T 'All Distance Online')	\$80
Utilities	\$40.00
Internet connection (AT&T DSL Pro)	\$40.00
General business insurance	\$30.00
Inventory, raw materials, parts	\$0.00
Legal and other professional fees	\$200.00
Total	\$9,430

Descriptions	Amounts (\$)	Total (\$)
Cash Flow from Operations		-\$5,017.56
Sales (Paid in cash)	\$1,058.00	
Materials	(\$315.56)	
Labor	(\$5,760.00)	
Cash Flow From Financing		\$12,000.00
Incoming loan	\$12,000.00	
Loan Repayment	\$121.33	
Cash Flow From Purchase Capital		-\$6,430.54
Start Up Costs	-\$6,430.54	
Total		\$551.90