

Business Plan for Pier Restaurant

❖ Executive summary

The Pier Restaurant is intended to be a full service, three-meal-a-day, restaurant/cafe. It is to be located overlooking the ocean at the Flagler Beach Pier. The renovated facility will seat approximately 200 patrons. This would allow for roughly 150 seats inside and the balance on outside deck areas. The restaurant will feature a full menu compliment of moderately priced, breakfast-lunch-dinner items. The menu will be influenced by Caribbean, Creole, Coastal-Italian, New England, Southern regional and other time-honored recipes from around the world. The revenues will come from 4 elements of the restaurant operation:

1. Breakfast will feature traditional morning dishes and other creative, specialty items using fresh, quality products (ingredients).
2. Lunch will feature a variety of soups, salads, and sandwiches.
3. Dinner will feature casual, family-style dining and will offer fresh seafood, pastas, steaks, paellas, dinner salads, and other regional favorites.
4. Bar operation will offer a full bar/drink menu featuring specialty drinks, craft beers and assorted wines. It is intended that dining and drinks can be enjoyed inside or al fresco (on the new deck) so as to enjoy the atmosphere. It is envisioned that a music/entertainment element could enhance the operation and experience at the restaurant. This would be done on some limited basis, most likely located on the outside deck. The vision is that the entertainment would be mostly single individuals or 2 and 3 person combos performing easy listening numbers that would afford background music to people eating, talking and enjoying a good time at the restaurant.

The mission and objective of the operation is to bring together a casual atmosphere enhanced by the seaside location that will draw residents and visitors to the "Destination Location", taking advantage of the quaint beachside location and adjoining iconic Flagler Beach Pier. The establishment will provide a complete quality experience for patrons. The keys to success will be focused in product quality, service and atmosphere. Management will need to have a firm grasp on food, beverage and labor elements so as to deliver the experience to its

customers in a fashion that will inspire repeat business and encourage word-of-mouth recommendations to others.

❖ Company summary

The restaurant derives its name/essence from its location adjoining the historic Flagler Beach fishing pier. The theme and decor of the facility will reflect the character and elements of its surrounding location. The company ownership is a privately held, limited-liability corporation owned by Raymond Barshay and Edward F. Menard. This will be considered a combination start-up restaurant and complete renovation of the existing pier restaurant.

Projected Renovation/ Start-Up Costs

Plans and Permits	\$30,000
Legal	\$25,000
Equipment	\$40,000
Furniture	\$30,000
Fixtures	\$10,000
Menu Design/Print	\$10,000
Loan costs	\$7,000
Licenses/Deposits	\$5,000
Hiring/payroll	\$9,000
Soft opening expenses	\$7,000
Grand opening expenses	\$10,000
Advertising/Marketing(open)	\$7,500
Start-up inventory	\$20,000
Small wares	\$8,000
Interior renovation	\$75,000
Exterior renovation	\$65,000
Signage	\$20,000
Purchase of existing business	TBD

The projection of timing for start-up and completion of the renovation is as follows:

New lease and assumption of existing lease by.....Jan. 31st, 2011
Plans and permits by.....Feb. 28th, 2011
Closing/Renovation by.....April, 15th, 2011
Training and Reopening by.....May, 15th, 2011

Any of the timelines may progress so as to be ahead of the projections if other parts are able to be accomplished quicker. It is also possible that due to the nature of this project it may be delayed at some stage. Time is of the essence to all parties.

❖ Market analysis

The casual dining restaurant market is an 11 billion+ dollar industry in the U.S. Due to its location in southeastern Flagler county, the business will predominately serve residential areas including northern Volusia, all of Flagler and portions of St. Johns county. It will derive certain daytime revenue from the local Flagler Beach business community as well as visitors and tourists passing through or drawn too the area. The other portion of business will be from local residents, from the surrounding area, and their guests. The venture hopes to work closely with other businesses within Flagler Beach in an effort to draw a more diverse clientele to the area. Specific advertising will be done through local publications, direct mail, business group alliances and radio, as a means of creating awareness. The target market for the restaurant is typically 18-65 year-old singles, couples and families who desire a sophisticated yet fun, casual dining experience. We feel that ****positioning?*** ourselves in the casual, quality food service with an emphasis on a friendly atmosphere and caring, knowledgeable staff will position is well to compete in the ****something descriptive?*** Flagler Beach business community.

❖ Management Summary

Raymond Barshay will be the operating partner/managing member of the limited-liability company. Mr. Barshay has been involved in the food and beverage business for 22 years. He is currently involved in the RiverGrille Restaurant in Ormond Beach, Florida and Crabby Joe's Deck & Grill in Daytona Beach Shores, Florida. Mr. Barshay was instrumental in start-up and day-to-day operations for both ventures and has been responsible for design, menu development, purchasing, marketing and advertising, staff development and other business functions commensurate with operating successful restaurants. Previous to being involved in the restaurant business, Mr. Barshay was involved in the residential real estate development, construction and sales business for over 25 years.

Ford Menard is a partner in RiverGrille LLC, with Mr. Barshay, and The Broken Barrel, located in Melbourne, Florida. The Broken Barrel is a sports bar/pub/restaurant started in 2008. Previous to Mr. Menard's involvement in the restaurant business, he was involved in owning and operating a sporting good and gun business for many years and was involved in all aspects of customer service, purchasing and operating a privately owned business. Both Mr. Barshay and Mr. Menard are longtime residents of the area.

Other personnel will be a general manager, a kitchen manager and an assistant manager. There will be approximately 40 full and part-time staff employed. Our hope is that several of these positions may be held by current, employees of the existing pier restaurant who are willing to train and transition into the new operation. Other personnel will, hopefully, and ideally be found in the local and surrounding communities. It is not our intention to bring employees from other restaurants owned by either Mr. Barshay or Mr. Menard.

Extensive training will be done so as to establish a reliable, consistent, knowledgeable, and well-trained staff. The management/ownership team considers service to be a high priority in any successful food service venture.

❖ **Strategic Positioning Summary**

The fishing pier and the restaurant make up a highly visible landmark location in the City. A newly renovated restaurant building will certainly add to bringing a new look and feel to the property. This is only one element of making the transition for the project. There are other ideas that should be developed to revitalize this major section of the downtown area and are important to bring a cohesive image to the property, where locals, visitors and tourists can be drawn to the pier, the restaurant and, ultimately, the other businesses of the downtown Flagler Beach area. This can be done in several ways. The partners in the venture feel it is important to work closely with the City to develop the entirety of the pier, the restaurant and the beach area at the pier. This should be done in a way that brings out the experience of a visit to the pier/beach/restaurant. That is, after all, a main reason for someone choosing to come to the area. It should be pleasant, easy to access, fun and seamless for anyone to come and enjoy there time in Flagler Beach. It should be an experience that makes it easy for them to become regular visitors and return with friends, family and neighbors. To effect that we feel it is important to develop the other parts of the equation. Some of those that should be addressed are:

1. Streetscape/sidewalk areas of the property along A1A. This can be accomplished with plantings, signage and other items of a decorative/festive nature.
2. Changes to the fishing business. Renovate the bait, tackle and admissions facility. Promote fishing business through events, benefits, camps and tournaments in concert with local groups, clubs, schools, other businesses and the City.

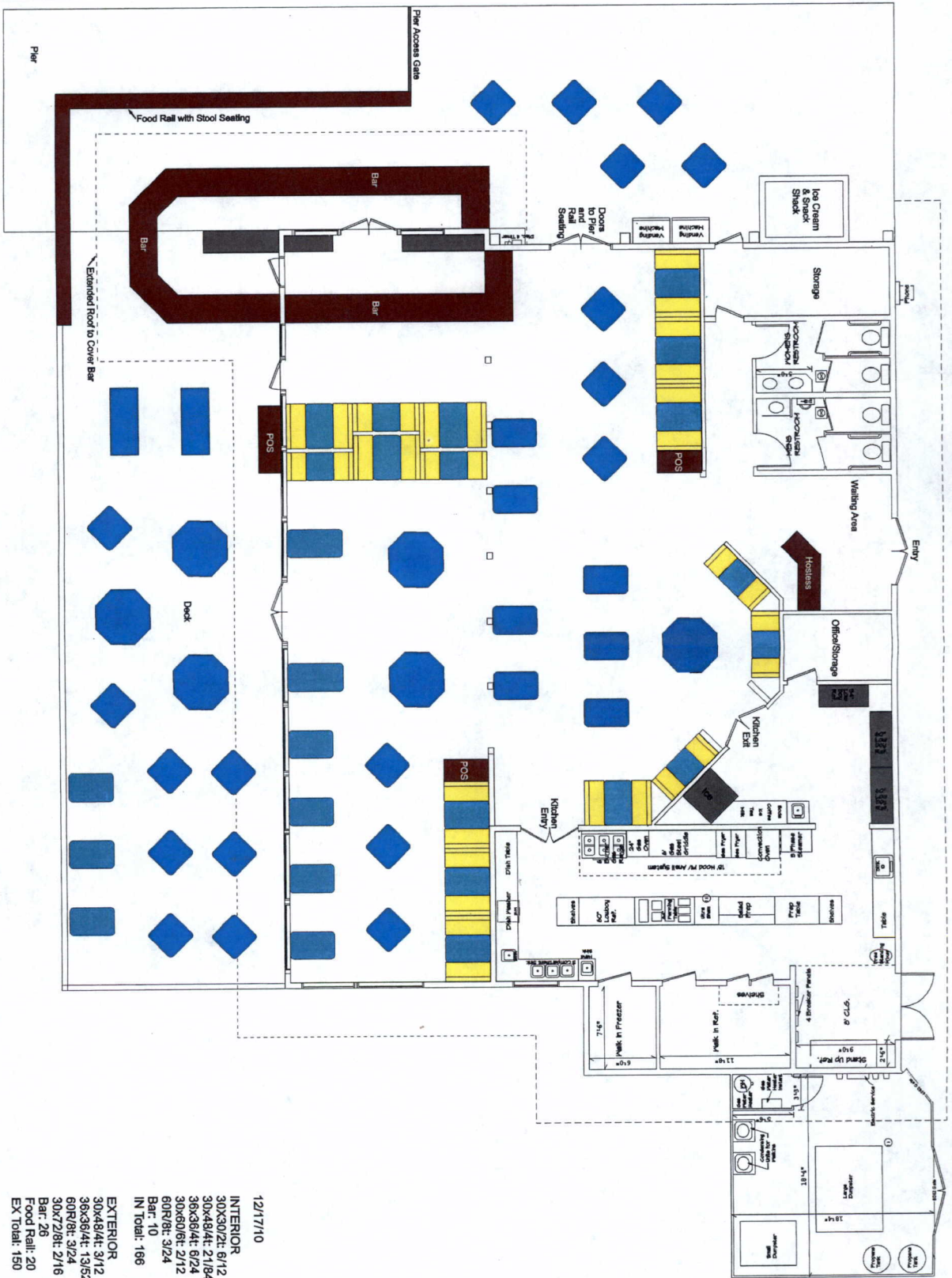
3. Develop other features for the pedestrian crowd and the beach crowd that comes to the area. This could be walk up service areas for drinks, ice cream, beach items, etc. A retail outlet/shopping experience should also be available for people who have come to the beach, the pier or the restaurant.
4. Combine some historical information and city directory that gives people a sense of where they are and the things available to them in the way of shopping, other dining options and activities for them to enjoy. While people may be drawn to the pier they should easily access and be directed to other things in the area.

In bringing more to life at the Pier it should enhance the enjoyment of the time spent while in the area. Whether someone comes and spends money or not in town the day they are visiting, each visitor is a future customer of all the businesses in town. They should have a sensory experience that will leave Flagler Beach as a top of the mind awareness for the next time they want to eat, shop or play in the area. It is important that the experience is visually pleasing, comfortable, friendly and basically, "taste good" to them.

❖ Proforma

SEE ATTACHMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
TOTAL SALES	1,100,000	1,210,000	1,331,000	1,464,100	1,610,510
TOTAL COGS	375,612	413,173	454,490	499,939	549,933
GROSS PROFIT	724,388	796,827	876,510	964,161	1,060,577
TOTAL OPER. EXP.	652,750	692,060	737,443	787,307	842,096
NET OPER. INC	71,638	104,767	139,067	176,854	218,481
DEBT SERV/LOAN REPAYMENT & RESERVE FOR REPLACEMENT	43,200	43,200	43,200	43,200	43,200
CASH CHANGE	28,438	61,567	95,867	133,654	175,281



- 12/17/10
- INTERIOR**
- 30X30/2t: 6/12
 - 30X48/4t: 21/84
 - 36X36/4t: 6/24
 - 30X60/6t: 2/12
 - 60R/8t: 3/24
 - Bar: 10
 - IN Total: 166
- EXTERIOR**
- 30X48/4t: 3/12
 - 36X36/4t: 13/52
 - 60R/8t: 3/24
 - 30X72/8t: 2/16
 - Bar: 26
 - Food Rail: 20
 - EX Total: 150