

Business Plan

Saeco Austria Café



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1 Preliminary details

1.1 Contact information

For further information concerning the Saeco Austria Café feel free to contact the following addresses:

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<p>Circulation Copy 01 Forrest, Rothmund, Willam, Bilici 7th November 2007</p>	

Table 1: Contact Information

1.2 Document control

As the table above indicates, the document was prepared by Caitlin Forrest, Christian Rothmund, Jeannine Willam and Erhan Bilici. Moreover it has been approved by the Board of Directors and was established in strong cooperation with the Saeco office in Austria located in Lustenau.

1.3 Professional advisers

The managers names of Saeco international Group are Chairman and managing director Nicolas de Gergorio, the directors: Arthur Joachim Schmed, Raffaele Roberto Vitale, Dominique Mer-

get, Bertrand Meunier, Amaury Daniel de Seze and Frederic Paul Stévenin and the Statutory Auditors: David Reali, Fabio Mainardi and Carlo Hassan.

The managing director of Saeco Austria is Peter Eberle: peter.eberle@saeco.at

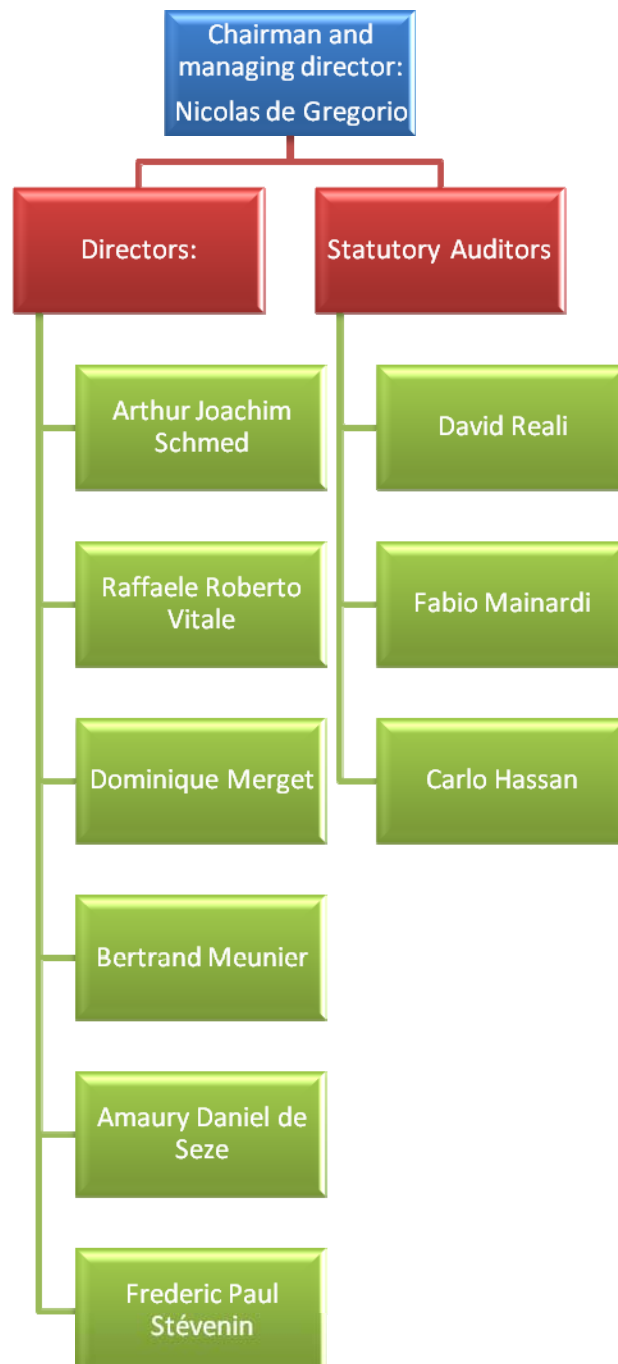


Table 2: Organization Chart

2 Executive summary

Introduction

Saeco Austria Café will be a new coffee lounge located near the lake Constance in the city center of Bregenz. Saeco Austria Café will make use of its brand to attract loyal customers and will also take advantage of the coffee drinking culture prevalent in the Austrian lifestyle. In addition to selling of coffee, cakes and biscuits will be offered and also costumers will have the opportunity to buy the products of the Saeco brand. These products include: coffee machines, porcelain and coffee beans. The company works to achieve a strong reputation, built on the already known brand and the mild competitive climate in the area. Saeco Austria Café will offer its coffee, cakes and biscuits at a competitive price but the coffee machines and other offered products will be sold at the normal price because of the distribution structure of Saeco International. The aim is to attract the middle to higher income local market area residents and also tourists.

The company

Saeco Austria Café is fully owned by Saeco Austria AG and would represent the development of a new strategic business unit, which is 80 per cent owned by Saeco International AG and 20 per cent owned by Klaus Dotter. Mr. Peter Eberle, the managing director of Saeco Austria has significant experience in producing coffee machines and has worked many years for the company. Mr. Dotter also has a long experience in the coffee industry and possesses a company in the beverages industry and has knowledge of this market as well. Saeco Austria Café would employ two full time baristas and one part time barista as well as one full time and one part time sales person.. These positions would be responsible for handling customer service and day-to-day operations. In order to have equivalent sales personnel in the shop, the employees will be trained to maximize selling of coffee machines. The shop will be managed by an appointed manager of the Saeco Austria AG in Lustenau, whose task it will be to oversee and delegate tasks to the employees.

Products and services

Saeco Austria Café will offer different variations of coffee produced with the assortment of machines and coffee beans used by Saeco. The baristas will make use of the features of the coffee machines so that every coffee produced is individually made for the customers' wishes. The offered cakes and biscuits are produced daily to guarantee the freshness of the products. The goods will be supplied by local bakeries, *Gunz* and *Fink*, both located in Hörbranz, based on the needs of the shop. The bakers have been acclaimed for their creation of the best cakes and biscuits in the region through an Austrian testing committee. Moreover the latest porcelain and coffee machines will be showcased in the coffee shop and are ready for sale. In addition to this a

catalogue produced by the Saeco Austria AG in Lustenau will be shown in the Café so that the customer has the chance to see the broad selection of products offered by Saeco. By interest the customer can order the products which will be sent to the shop where the customer can decide whether or not he/she would like to purchase the product. Additionally the coffee machines can be rented for special occasions. The core focus will be the selling of coffee machines as they generate the greatest revenue.

The market

Coffee is becoming more and more a lifestyle product within Europe and the sales of coffee machines are increasing as well as the amount of consumed coffee as various economic statistics indicate. Also, the mild climate at the lake Constance region supports the consumption of warm products coffee. The main focus for the business is the consumers of Bregenz and the surrounding area. Tourists will provide supplementary income through the purchase of coffee. The location near Lake Constance and the biggest outdoor stage, the “Bregenzer Festspiele”, always attracts new people to the city. The shop would be located directly in the city center in the pedestrian area where a lot of boutiques and shops draw customers. To attract these consumers, the business and marketing is mainly focused on these people.

Financial considerations

In the first year we are expecting to sell about 2500 coffees, 40% of these are calculated to be coffee to go, about 170 machines and about 1000 sets of cups or coffee bags.

At a sales volume of about €32.000 the café is reaching the break even point. This point we hope to reach for the first time in October of the first year and to stay at this level in the cold month of year two. In year one we are expecting a loss of about €7.000 and in year two we are at a calculated loss of €700.

For start-up €300.000 are calculated and following our calculations this is allowing the café to stay in business, this capital is provided by Saeco Austria AG.

The financials do not show any cash flow problems.

3 Current situation

Saeco International Group will establish a coffee and coffee products specialty store in Bregenz. The owners will be seasoned veterans of Saeco appointed by corporate staff from the main office in Austria. A significant portion of the funds will be generated by reserves of Saeco capital. Additional funding will be sought through a loan. Since Saeco is a well-established and recognizable brand name, the process of reaching the target market will be simplified. Due to minimal competition and the finances Saeco is able to invest in this operation, there is a great competitive advantage for the company.

3.1 Basic corporate information

Saeco corporate headquarters are located in Italy. However, there are multiple areas of operation in Austria. Saeco Austria Café is a limited, strategic business unit, fully owned by Saeco Austria.

Name of Company:	Saeco Group International
Status:	International Company Incorporated in Italy, 1981
Registered Office:	Gaggio Montano, Italy
Company number:	04230850960
Head Office:	Via Torretta 240, Gaggio Montano, Italy

3.2 Vision, mission, values

Mission

Saeco Austria Café aims to offer high quality coffee of all variations and cakes respectively biscuits at a competitive price and to offer all used products for sale at the normal price to meet the demand of the middle- to higher-income local inhabitants and tourists.

Vision

Our vision is to create a second home for the customer. Foster an enjoyable environment within the variety of coffee at a place where coffee is not just a drink, it is a life style.

Values

Keys to success for Saeco Austria Café will include the following values:

1. Fair trade products

2. Environmentally friendly machines (easy to clean and not much waste)
3. Fair pay for the employees
4. Good atmosphere within the shop

3.3 History

Saeco Austria AG was founded in 1991 by Klaus Dotter and the founders of Saeco International, Sergio Zapella and Arthur Schmed. Saeco Austria AG is owned 80 per cent by Saeco International and 20 per cent by Dotter. The company has produced their goods for over 20 years. Saeco will supplement funds for the project and additional financing will be provided through loans.

3.4 Business organization

The Saeco Austria Café will be managed by a delegate from the Saeco Austria AG. Their responsibility will be the delegation of staff, creation of work plans, quality control and financial reporting to the office in Austria.

Within the shop 2 full time baristas and 2 part time baristas will be employed. These baristas will be responsible for serving the customers and taking orders. In addition, to guarantee that each person can be informed of how the coffee machines operate, 1 full time and 1 part time sales person will be employed. The two sales persons are trained in selling the machines and will be responsible for administrative tasks. As the shop will operate on a self-serving basis, no waiters will be needed. For cleaning the shop a specialized company will be hired.

The shop will be open from Monday to Wednesday from 7:30 to 19:00 and Thursday to Friday from 7:30 to 20:00. On Saturday from 10:00 to 20:00 and on Sunday from 11:00 to 16:00 the café will be open. Therefore, the customer will be served almost around the clock.

3.5 Products and services

At the Saeco Austria Café, customers will be served with a broad variety of coffee and espresso products. Down to the smallest detail, the Saeco Austria Café will provide each customer coffee and espresso products made to the suit the customer. Furthermore, Saeco owns its own coffee brand. The beans are imported and roasted by Jakobs and labeled under the Saeco brand name. They are cultivated worldwide and have the highest quality. A broad selection of coffee beans enables baristas to meet the demands of individual consumers. The coffee machines allow baristas to produce various coffee products that create a variety of choices for café customers. In the Annex the broad selection of coffee sorts will be displayed. Not only the broad selection of coffee, as well as the high quality beans gained through fair trade will have a remarkable impact on the delicious coffee taste. Moreover, the personnel will be trained in order to produce the coffee at highest quality.

All baked products offered at the café are guaranteed to be fresh. The strong relationship with the local bakeries *Gunz* and *Fink* will assure that fresh baked goods are always available, as the goods are produced daily.

The individual coffee machines of Saeco will be sold in the café. Selection will range from the Saeco Incanto SBS, which produces espresso and regular coffee, to the special espresso machine, Saeco Magic Cappuccino Plus with pads.



Cappuccinatore
Milk Foam Nozzle
Additional Carrier for Pads
Easy to use
High quality coffee

Image 1: Saeco Magic Cappuccino Plus

The machines in the café will give each customer the possibility to purchase the products so that they can enjoy the Saeco coffee experience at home as well. In addition, the customer will be able to purchase Saeco dishes in the café.



SBS - Saeco Brewing System
Rapid Steam®
Milk Foam Nozzle
Black and White Soft Touch Screen
Aqua Prima

Image 2: Saeco Incanto Sirius

Additional information regarding the inventory of machines can be found in the Annex. In general the five newest machines will be located at the café and the customer will be able to observe the products. There will also be a catalogue containing all the machines Saeco offers and the customer will have the chance to get information by asking the employee and placing an order within the shop and the headquarters in Lustenau will deliver the machine to the café. Additionally it is possible for customers to rent certain machines in the shop for a specific occasion (advertise coffee parties).

PRIMEA LINE



Image 3: Saeco Primea

- SBS – Saeco Brewing System
- Soft Touch Screen
- Touch2Cappuccino
- Integrated milk tank
- Automatic cleaning system
- Touch Lift
- Rapid Steam

TALEA LINE



Image 4: Saeco Talea

- SBS – Saeco Brewing System
- Soft Touch Screen
- Touch Lift
- Milk Island
- Rapid Steam

ODEA LINE



Image 5: Saeco Odea

- SBS – Saeco Brewing System
- Rapid Steam
- Manual Touch Lift



Image 6: Saeco Cups

CAPPUCCINO, LATTE MACCHIATO AND ESPRESSO CUPS

Hand-Made

Modern shape

High quality

Temperature regulating (inside hot, outside touchable)

MISCELA GOLD



Image 7: Saeco Miscela Gold

Package size: 1kg or 500g

MISCELA BAR



Image 8: Saeco Miscela Bar

Package size: 1kg, 500g or 250g

Table 3: Products

The long opening hours will ensure that customers have the possibility to go to the shop whenever they like. Friendly, competent personnel and a unique atmosphere in the shop will meet customers demand.

3.6 Core competencies

Saeco Austria Café has the following core competencies:

- High quality products which are state of the art and have a unique design.
- Maintain high technological standards through providing high quality coffee machines.
- All the products are offered which are needed to make a good Saeco coffee at home as well as to be consumed in the shop or to go.

4 External environment

4.1 The economy

The economy in the coffee industry is growing worldwide as a coffee culture is spreading around the globe. Moreover purchase power of customers in Austria is high and consumers, especially in this region (Switzerland, Austria, Germany, Liechtenstein), are willing to spend money in order to enjoy the coffee culture lifestyle.

4.2 Market analysis

This aspect will focus on the market segmentation, market opportunities and the channels to market which are set in consideration when planning the Saeco Austria Café.

Tourists

The city of Bregenz and the surrounding area have an attractiveness and high level quality of life. It's the cultural capital of the Bodensee region. International announced Bregenz Festival and the Kunsthau Bregenz as well as other attractions offer great possibilities for inhabitants and tourists. The Bregenz Festival begins in July and ends in August, so this is the peak season for tourists.¹

	1991	2007
Population in Bregenz	27.097	29.200
Employed People in Bregenz	14.769	17.357
Establishments in Bregenz	1.274	1.527

Table 4: Bregenz population, employees and businesses

	Men	Women
Average Wage in Bregenz	1.844	1.152

Table 5: Average wages of Bregenz by gender

¹ Eric Thiel (2007)

People in Austria spend more than €80 per month for restaurants and cafés. In Vorarlberg this amount should be even higher, because of the higher income per capita.²

Trends and facts concerning coffee machines

In addition to this, the use of full coffee machines is on the rise. The coffee machine is in Austria (32 per cent) and Switzerland (36 per cent) strongly becoming a prestige item, which each household should have. Fully automatic machines are more preferred in comparison to the capsule systems. Currently Austrians and Germans still often use filter machines (nearly 50 per cent).³

Market segmentation

The Saeco Austria Café will target local residents as well as tourists with middle to high income, who drink coffee and tea regularly. With the broad selection of coffee and tea specialties, people between the ages of 20 to 40 years will be mainly targeted. We will introduce our coffee to a younger audience by expanding our target market to include the younger generation. In this strategic move we will educate and develop loyal customers who will enjoy both our coffee and machines. The customers are environmentally conscious people, who are willing to pay a moderate price to support the consumption of fair trade coffee beans. The assortment of special Saeco coffee machines and specially designed coffee cups and dishes are for women between the ages of 30 to 50 years who want to have top quality equipment in their household. These consumers appreciate a cultural lifestyle of having the experience of delicious self-made coffee produced by high quality coffee machines.

Market Opportunity

Saeco has a competitive advantage in that they dominate the coffee product market. Boasting market capabilities, Saeco leads the market in the manufacture of automatic espresso and coffee machines for residential and commercial utilization.⁴ Furthermore, Saeco provides coffee to more than 30 per cent of the European coffee market. In Austria the market share is over 60 per cent and total machine sales were €26.525.237.

Referring to a study which was made by *marketmind* and Saeco Austria AG, the inhabitants of Vorarlberg and Tirol consume 3 cups of coffee every day. In Austria there are 2.6 cups con-

² Statistik Austria (2007)

³ Cafejournal (2007)

⁴ Saeco (2007)

sumed every day. In Germany it is a bit less with 2.4 cups but in Swiss nearly 3 cups are drunk every day.

In these three countries about three-quarters of the people drink coffee and it has nearly the same value of water which is the number one consumed beverage.

The amount which people are willing to spend depends on the countries. In Austria people are willing to pay €2.50, people from Germany are still paying €2.40, and people from Switzerland are only paying up to €2.20.⁵

In Bregenz, the number of tourists is rising and has reached in the year 2006 a number of approximately 2 million guests which visited the city and 270,000 people who stayed overnight.⁶

Channels to market

The Saeco Austria AG is establishing through the Saeco Austria Café a direct channel to the market, and is seeking a direct relationship with their customers. Nevertheless, Saeco will maintain its strong relationship with retailers such as Mediamarkt, or any other electronic shop offering household equipment including Red ZAC. In order to foster a strong relationship with retailers, Saeco is setting up a location for the café in Bregenz. Ensuing from this establishment is the benefit that no retail store is located in this area, which sells Saeco coffee machines. There are many benefits of being located in the pedestrian area where many people pass each day. In this way Saeco can offer its products (especially machines) to customers directly without destroying existing relationships.

Pressure groups

As coffee beans are purchased from developing countries, pressure groups focusing on fair trade regulations in these countries are affecting the Saeco Austria Café as well. Saeco has experience with purchasing materials for their products and trades the coffee with their own house brand. It is guaranteed that a fair price is paid; therefore it has achieved the seal of approval for fair trade coffee.

Technology and Internet

An amenity for consumers will include internet connection in the shop for a small fee. The shop will be well equipped with the best suitable technology systems from a local producer “Spider Net” in order to keep in contact with the provider in case of error.

⁵ Cafejournal (2007)

⁶ Eric Thiel (2007)

4.3 Competitor analysis

As can be seen in the Annex a list of competitors has been made that are able to compete with the new Saeco Austria Café. Even though this list is rather big, no direct threat is seen, as the Saeco Austria Café would be unique in its product variety as well as the shop design. The café will attract a customer range that has not been attracted by the other companies. As already mentioned, the competitive climate is defined as mild. Even though many cafés are in this area, they generally target the same clientele. The Saeco Austria café on the other hand would have a different focus.

Electronic

There is an electronic specialist shop in Bregenz located near the city centre at the “Marktplatz” which offers a small selection of coffee machines, covering brands like Jura, Nespresso as well as the products of Saeco. Customers have limited access to a coffee specialty shop in the Bregenz city centre.

Coffee machines

There are two important competitors who are in the production of coffee machines within the Austrian market which are Jura and Nespresso. These two companies use the same distribution channels as Saeco. Nespresso focuses on the production of espresso machines and brings its machines in connection with the special produced coffee tabs. Jura sells products in the same segment as Saeco. Their products compete together in the retail stores.

As the main intention of the Saeco Austria Café would be to bring coffee machines and coffee together in one shop at one place, this would be unique in this region. Nespresso has established a coffee shop in Munich with a similar idea, but consumers can only buy coffee and not the coffee machines. With success in our business unit, Nespresso could invest in their own shop in the Bregenz area.

Coffee shops

Focusing on the coffee shops, in Bregenz there is low competition for specialist coffee shops. The only true competitor which currently is operating in this field is the “Kaffeemacher” a coffee shop that tailors to the coffee culture. However, this shop is very small and cannot serve many customers. In addition, it is located near the train station, not in the pedestrian area, and the coffee is priced expensively.

There are bakeries like Hammer, Mangold and Ruetz who offer coffee and baked goods at a lower price. These bakers are not defined by their coffee expertise; rather they offer it as a supplementary product.

On the other side there are two traditional confectioneries the “Theatercafé” and the “Goitz”, which target people from the upper segment in the age of 40 to 60 years. The products in these pastry shops are sold at a high price. The selection of coffee is not that big; they sell regular coffee, cappuccino, and espresso.

In addition to this two cafés the Kub and the Kornmarkt Bar are dedicated to their customers who are interested in art and culture, and target people in the age about 35 to 50. They offer pastries, coffee and sandwiches at a moderate price.

A coffee shop that caters to young people and decorated in a modern way does not exist in Bregenz. Moreover the Saeco Austria Café would offer a broad selection of coffee. The selection would include regular coffee, iced coffee variations, blended coffee creations, and coffee products with various flavors. What makes the Saeco Austria Café special is the uniqueness to bring coffee and the coffee machines together in one store. Moreover a chill lounge is planned where customers can relax and get a coffee experience when they enter the shop.

4.4 Future competition

Corporate expansion

The “Kaffeemacher” is a competitor which could pose a threat for the company if it expands its operations. In addition to this also the Theatercafé as well as the Kub have potential to expand as customers are already complaining now that their locations are too small.

Concerning the dishes, Mäser is currently reconstructing his property and trying to enlarge his business. So the selection of offering even more porcelain in his shop is happening at present. Therefore, the Austrian Saeco Café will only have a small trendy and unique designed selection of porcelain offered in the shop.

Other geographical areas

Another indirect competitor is Starbucks. Since there are no Starbucks locations in Vorarlberg or Innsbruck, local people have to drive to Zurich in order to get special coffee. It is not out of the ordinary for consumers to drive to Zurich to obtain their coffee. There is a need for a coffee shop in this area and if Starbucks was planning to enter the area, it would be a huge threat for

Saeco. However, Starbucks strategy has focused on markets in large cities and has failed to see the potential which has surfaced from the consumer market in Bregenz and the surrounding environment. In order to stay competitive, the Austria Saeco Café must establish a strong customer base.

4.5 Critical success factors

Keys to success for Saeco Austria Café will include:

1. Providing the highest quality products with personal customer service.
2. Competitive pricing.
3. Providing the Saeco own produced coffee specialties producing machines and other products for sale.
4. Comfortable atmosphere in the coffee shop.

5 Strategy and plans

In the following section the objectives and the intended strategy of the Saeco Austria Café will be covered.

5.1 Objectives

The central objectives

The central objective of the Saeco Austria Café is to gain market share up to 10 % within the first 2 years within the market of Bregenz. For the goal setting to 5 years it is planned to gain a market share up to 30 % in Bregenz. The goal is to contribute to social welfare in developing countries by offering coffee from fair trade (long-term). In addition to this the Saeco Austria Café is planning on gaining positive numbers within the first 3 years. This will be guaranteed as the customers already know the brand and the Café provides an opportunity for them to observe the machines and additional services in a uniquely designed Café (short-term).

Employee objectives

Sales personnel shall achieve sales of coffee machines on average up to 10 machines per month, within the first year. In the Christmas season (November, December) they shall be able to increase their sales up to 20 machines per month (which reflects approximately 5 machines per week). In the long term, it is the target of the company to increase targeted sales of 130 machines per year to 230 machines per year (goal in 5 years).

Barista personnel must perform the sales of coffee as efficiently as possible. The objective is to serve a customer within 5 minutes on average for fulfilling a request of one coffee specialty, including payment, order and execution.

It will be crucial to ensure that the supply of the coffee happens on time and in the quality requested. Therefore quality control of supply will follow immediately. To ensure the shop runs on target, weekly reports must be sent to the office in Lustenau so that they are aware of how management activities are met.

Financial objectives

The main idea is to keep costs low, therefore the contract states that coffee must not be allowed to cost more than 16,- Euro per kilo when purchased. Stocking costs are kept low, as the machines are stocked at the office in Lustenau and the machines can be delivered from there to the café. Total spending shall make up not more than 40 per cent of the total revenue. Travel spending shall not be higher than 600 Euro per year.

5.2 Business strategy

5.2.1 The shop

The shop is situated in the pedestrian area where the location is an asset and will attract the targeted consumers. Initially the shop will be 80m² but there is the option to expand up to 200m² if needed. The café will allow consumers to place large orders for special functions for their companies (20 cups and more). Therefore a student will be employed if necessary.

5.2.2 Shop inventory

The shop is using the synergies to Saeco Austria AG as much as possible. Therefore the coffee machines are stored in Lustenau and also the machines shown in the store do not have to be paid. Other items like cups or coffee are delivered when needed by Saeco Austria AG which travels daily to Wolfurt near Bregenz.

To produce the coffee we will use up to two manual Saeco Aroma SE 300s.



SAECO AROMA SE 300

21 liter hot water tank

450 Espresso per hour

Manual machine

Image 9: Saeco Aroma SE 300

5.2.3 Marketing

For advertising we chose two different newspapers. The *Vorarlberger Nachrichten* and the *Wann & Wo*. The *Vorarlberger Nachrichten* is sent daily to the readers whereas the *Wann & Wo* is delivered to every household in Vorarlberg. Also flyers will be printed focusing on the café and the beverages offered seasonally.

Saeco Café will utilize repetition in promotion of products. The image of the coffee machines available will be printed on both the cups used in the store and those which are take-away. The overall atmosphere and décor of the shop will be conducive to a coffee culture.

Education of consumers on Saeco products is a critical success factor for the café. Therefore, consumers will have the opportunity to reserve, in advance, coffee machines for parties or events which they are hosting. At 50 Euros per day, the functional machines will further promote the machines and will generate additional profit for Saeco.

5.3 SWOT – strengths, weaknesses, opportunities and threats

5.3.1 SWOT

The SWOT shows the strengths/weaknesses and opportunities/threats the Saeco Austria Café has.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Expert in machine production • Coffee beans as a strategic business unit • Strong relationship with suppliers • Well established brand name • Worldwide customers • World market leader • Loyal customer base • Partner with local bakeries <i>Gunz and Fink</i> • Machines are multi-faceted 	<ul style="list-style-type: none"> • Coffee not consumed as much during summer months • Demand for strategic business unit – dishes • High rental cost of building due to location • High salaries for employees
Opportunities	Threats
<ul style="list-style-type: none"> • People drink iced drinks in summer • Direct customer interaction through the café • Cross-selling of products in the café • Location • Interior will cater to coffee culture • People seeking environmentally-friendly products • Nearby, existing warehouse can be utilized for storage • Communication channels in the area permit advertising capabilities 	<ul style="list-style-type: none"> • Major competitors - Jura and Nespresso • Existing eateries in the area that sell coffee • Alternative beverages chosen in summer months by consumers • Consumers who already have Saeco machines and will not invest in another one for years • Similar shop by Nespresso in Munich • Starbucks is attracted by the success of the Café to come to this area

Table 6: SWOT Analysis

The weaknesses are to be eliminated, even though there will be less coffee consumption in summer, the café will offer iced coffee specialties. In addition to ensure that dishes will be

bought, the Saeco Company in Lustenau and headquarters will ensure that the design of the dishes will be trendy and fashionable. By opening the Saeco Austria Café the shop guarantees the customer a relaxing experience while enjoying delicious coffee. The opportunities of having a direct channel to the customer will be exploited. In addition the location in the city center provides the opportunity to attract pedestrians. The threat of Starbucks or Nespresso seeing this market as a possibility to expand their operations does certainly exist, therefore it is the goal of the Saeco Austria Café to dominate this region, and convince customers through advertising and the well functioning coffee machines to purchase at Saeco and create a high barrier to entry for new entrants.

5.3.2 *Expanding Capacity Scenario*

The store will initially be 80 m², if the demand rises and expansion is planned, the building has room above on the second floor to which expansion is possible. Therefore the opportunity could be taken, as the possibility exists. Concerning the coffee production machines within the shop, the Café will start with a three tank Saeco machine which is able to produce 350 espressos per hour. Behind the counter additional space for a second machine will be planned, so that when expansion should occur an additional machine can be purchased. Moreover the stocking of the coffee will not be a problem as additional to the shop size another storage room of 10 m² is in the property that will be rented. Therefore refrigerator, freezer and shelves for products can be stored there.

6 Financial Analysis

This part will focus on the financial performance planned for the Saeco Austria Café.

6.1 Breakeven analysis

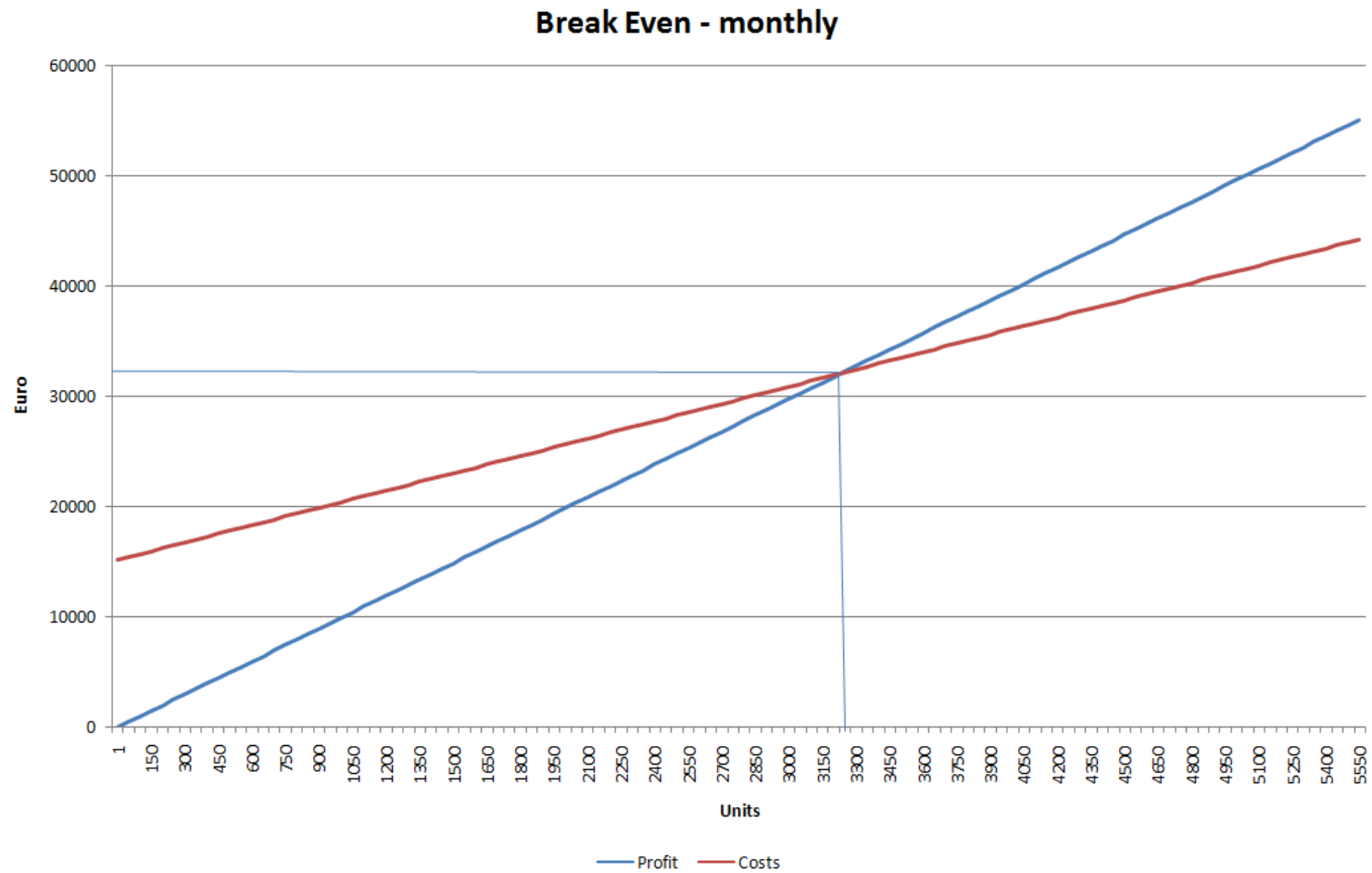


Table 7: Break even analysis

6.2 Sales projection

2008	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Annual Totals
Cappuchino	200	300	500	1000	1000	500	500	500	500	1000	1000	1200	8200
Sale price @ unit	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	
Cat 1 TOTAL	620	930	1.550	3.100	3.100	1.550	1.550	1.550	1.550	3.100	3.100	3.720	25.420
Espresso	100	150	400	500	500	300	300	300	500	500	600	600	4750
Sale price @ unit	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	
Cat 2 TOTAL	250	375	1.000	1.250	1.250	750	750	750	1.250	1.250	1.500	1.500	11.875
Latte Macchiato	200	300	500	1000	1000	500	500	500	500	1000	1000	1100	8100
Sale price @ unit	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	
Cat 3 TOTAL	560	840	1.400	2.800	2.800	1.400	1.400	1.400	1.400	2.800	2.800	3.080	22.680
Other beverages	100	150	400	500	500	300	300	300	400	500	600	600	4650
Sale price @ unit	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	
Cat 4 TOTAL	280	420	1.120	1.400	1.400	840	840	840	1.120	1.400	1.680	1.680	13.020
Coffee beans (1000g)	0	50	100	150	100	50	50	50	50	100	120	120	940
Sale price @ unit	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	
Cat 5 TOTAL	0	1.000	2.000	3.000	2.000	1.000	1.000	1.000	1.000	2.000	2.400	2.400	18.800
Saeco Odea Giro Go	1	1	2	8	4	6	6	4	4	8	12	16	72
Sale price @ unit	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	
Cat 6 TOTAL	399	399	798	3.192	1.596	2.394	2.394	1.596	1.596	3.192	4.788	6.384	28.728
Saeco Talea Touch	0	2	2	5	6	3	3	3	10	10	12	12	68
Sale price @ unit	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	
Cat 7 TOTAL	0	1.898	1.898	4.745	5.694	2.847	2.847	2.847	9.490	9.490	11.388	11.388	64.532
Saeco Primea Cappuccino Touch Plus	0	0	1	2	1	1	1	2	3	5	5	5	26
Sale price @ unit	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	
Cat 8 TOTAL	0	0	1.999	3.998	1.999	1.999	1.999	3.998	5.997	9.995	9.995	9.995	51.974
Cups and other items	0	5	5	5	8	8	8	8	10	15	20	20	112
Sale price @ unit	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	
Cat 8 TOTAL	0	150	150	150	240	240	240	240	300	450	600	600	3.360
Monthly totals: All Categories	2.109	5.862	11.765	23.485	19.839	12.780	12.780	13.981	23.403	33.227	37.651	40.147	237029

Table 8: Sales Projection 2008

2009	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Annual Totals
Cappuchino	1100	1100	1100	1050	1050	750	750	750	850	1100	1200	1300	12100
Sale price @ unit	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	3,10	
Cat 1 TOTAL	3.410	3.410	3.410	3.255	3.255	2.325	2.325	2.325	2.635	3.410	3.720	4.030	37.510
Espresso	500	600	600	550	450	450	450	450	500	600	600	700	6450
Sale price @ unit	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	2,50	
Cat 2 TOTAL	1.250	1.500	1.500	1.375	1.125	1.125	1.125	1.125	1.250	1.500	1.500	1.750	16.125
Latte Macchiato	1000	1000	1000	1100	1000	750	750	750	1000	1100	1100	1200	11750
Sale price @ unit	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	
Cat 3 TOTAL	2.800	2.800	2.800	3.080	2.800	2.100	2.100	2.100	2.800	3.080	3.080	3.360	32.900
Other beverages	600	600	550	550	550	400	400	400	550	600	600	700	6500
Sale price @ unit	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	2,80	
Cat 4 TOTAL	1.680	1.680	1.540	1.540	1.540	1.120	1.120	1.120	1.540	1.680	1.680	1.960	18.200
Coffee beans (1000g)	110	110	120	120	110	60	60	60	100	120	130	140	1240
Sale price @ unit	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	20,00	
Cat 5 TOTAL	2.200	2.200	2.400	2.400	2.200	1.200	1.200	1.200	2.000	2.400	2.600	2.800	24.800
Saeco Odea Giro Go	4	8	10	10	4	6	6	4	10	10	12	16	100
Sale price @ unit	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	399,00	
Cat 6 TOTAL	1.596	3.192	3.990	3.990	1.596	2.394	2.394	1.596	3.990	3.990	4.788	6.384	39.900
Saeco Talea Touch	5	5	10	10	6	4	3	4	6	10	12	12	87
Sale price @ unit	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	949,00	
Cat 7 TOTAL	4.745	4.745	9.490	9.490	5.694	3.796	2.847	3.796	5.694	9.490	11.388	11.388	82.563
Saeco Primea Cappuccino Touch Plus	5	5	6	4	3	3	3	3	5	6	8	10	61
Sale price @ unit	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	1.999,00	
Cat 8 TOTAL	9.995	9.995	11.994	7.996	5.997	5.997	5.997	5.997	9.995	11.994	15.992	19.990	121.939
Cups and other items	30	30	30	20	20	15	15	15	20	25	35	40	295
Sale price @ unit	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	30,00	
Cat 8 TOTAL	900	900	900	600	600	450	450	450	600	750	1.050	1.200	8.850
Monthly totals: All Categories	27.676	29.522	37.124	33.126	24.207	20.057	19.108	19.259	29.904	37.544	44.748	51.662	373937

Table 9: Sales Projection 2009

6.3 Sales Scenarios

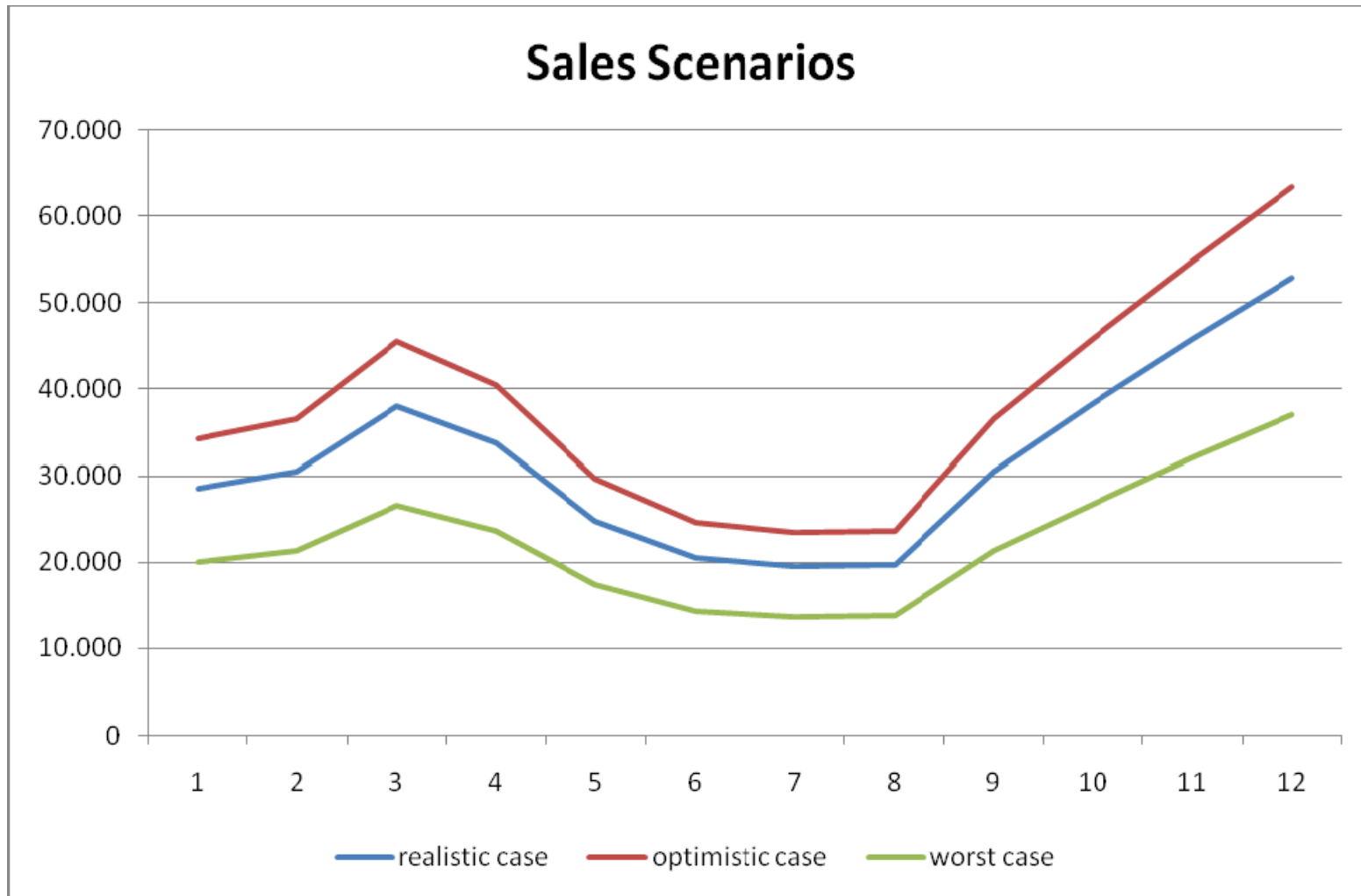


Table 10: Sales Scenarios

6.4 Capital spending

The capital spending refers to investments on productive items which have a lifespan longer than 12 months. In this case the purchase of the office equipment, furniture, coffee machines, computers and other property is defined in this term.⁷

The Saeco Austria Café will spend €132.730,- initial expenses for items like, coffee machines, furniture, cashier system, shelves, counter as well as small adjustments of the shop outlet.

6.5 Operating costs

These operating costs include wages, salaries, rent, and telephone costs, etc.⁸ In the calculations of the Saeco Austria Café the expenses per month on average are at €2000,-. The marketing costs have a lot of impact on how the expense amount could fluctuate. In the initial phases of operation, advertisements will be placed in the local newspaper. Additionally a flyer production will be started, where the product range and the mission of the shop will be clearly defined. The advertisements will focus on promoting the coffee machines, as these maximize income for the company. Additionally seasonal advertisements will be made to influence Christmas consumers.

The rent will be €2.800,- and includes electricity expenses as well as water and heating consumption. Therefore, the basic costs involved in operating are included.

Additionally the wages for 2 full time baristas, one part time barista, full time and part time sales personnel are calculated. According to the Statistic Austria the average salary lies at €1.176,-⁹ for a waiter, built on this number the calculations of Saeco Austria have been made.

⁷ Stutely (2002, p. 170)

⁸ Stutely (2002, p. 170)

⁹ Wirtschaftskammer Österreich (2007)

6.6 Profit and loss account

	December	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Sales Coffee		1.710	2.565	5.070	8.550	8.550	4.540	4.540	4.540	5.320	8.550	9.080	9.980	72.995
Sales Machines		399	2.297	4.695	11.935	9.289	7.240	7.240	8.441	17.083	22.677	26.171	27.767	145.234
Sales Other		-	1.150	2.150	3.150	2.240	1.240	1.240	1.240	1.300	2.450	3.000	3.000	22.160
TOTAL SALES	-	2.109	6.012	11.915	23.635	20.079	13.020	13.020	14.221	23.703	33.677	38.251	40.747	240.389
Used Material		335	2.536	5.049	10.746	8.240	5.892	5.892	6.672	12.363	17.068	19.790	20.866	115.448
Employees	4.704	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	117.600
Cleaning		135	135	135	135	135	135	135	135	135	135	135	135	1.621
Cups + Take-Away	200	80	209	330	488	542	357	357	357	434	668	786	825	5.632
TOTAL COST OF SALES	4.904	9.958	12.289	14.922	20.777	18.325	15.791	15.791	16.572	22.340	27.279	30.119	31.233	235.398
GROSS MARGIN	-4.904	-7.849	-6.277	-3.007	2.858	1.754	-2.771	-2.771	-2.351	1.363	6.398	8.132	9.514	4.991
Inventory	120.000													120.000
Depreciation		2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	30.365
Rent + operating costs	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	36.400
Marketing	14.827	14.827	500	500	500	500	500	500	500	500	500	8.413	7.413	49.980
Machines	6.780													6.780
Insurance	250	250	250	250	250	250	250	250	250	250	250	250	250	3.250
Cups - Glass	5.950													5.950
Tax														-
List of expenses														-
List of expenses														-
List of expenses														-
List of expenses														-
List of expenses														-
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List of expenses														-
List of expenses														-
TOTAL EXPENSES	150.607	20.407	6.080	6.080	6.080	6.080	6.080	6.080	6.080	6.080	6.080	13.994	12.994	252.725
NET PROFIT	-155.511	-28.256	-12.357	-9.087	-3.223	-4.327	-8.852	-8.852	-8.432	-4.718	317	-5.862	-3.480	-247.734

Table 11: Profit and Loss Projection 2008

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<i>Sales Coffee</i>	9.140	9.390	9.250	9.250	8.720	6.670	6.670	6.670	8.225	9.670	9.980	11.100	104.735
<i>Sales Machines</i>	16.336	17.932	25.474	21.476	13.287	12.187	11.238	11.389	19.679	25.474	32.168	37.762	244.402
<i>Sales Other</i>	3.100	3.100	3.300	3.000	2.800	1.650	1.650	1.650	2.600	3.150	3.650	4.000	33.650
TOTAL SALES	28.576	30.422	38.024	33.726	24.807	20.507	19.558	19.709	30.504	38.294	45.798	52.862	382.787
<i>Used Material</i>	12.766	13.813	18.831	16.052	10.591	9.123	8.506	8.604	14.612	18.754	23.414	27.296	182.363
<i>Employees</i>	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	9.408	112.896
<i>Cleaning</i>	135	135	135	135	135	135	135	135	135	135	135	135	1.621
<i>Cups + Take-Away</i>	965	979	972	792	765	582	582	582	745	902	1.095	1.238	10.199
TOTAL COST OF SALES	23.274	24.335	29.346	26.387	20.899	19.248	18.632	18.730	24.901	29.199	34.052	38.078	307.080
GROSS MARGIN	5.302	6.087	8.678	7.339	3.908	1.259	926	979	5.603	9.095	11.746	14.784	75.707
<i>Inventory</i>													-
<i>Depreciation</i>	2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	2.530	30.360
<i>Rent + operating costs</i>	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	2.800	33.600
<i>Marketing</i>	500	500	500	500	500	500	500	500	500	500	500	4.000	9.500
<i>Machines</i>													-
<i>Insurance</i>	250	250	250	250	250	250	250	250	250	250	250	250	3.000
<i>Cups - Glass</i>													-
<i>List of expenses</i>													-
<i>List of expenses</i>													-
<i>List of expenses</i>													-
<i>List of expenses</i>													-
<i>List of expenses</i>													-
<i>List of expenses</i>													-
<i>List of expenses</i>													-
<i>List of expenses</i>													-
TOTAL EXPENSES	6.080	6.080	6.080	6.080	6.080	6.080	6.080	6.080	6.080	6.080	6.080	9.580	76.460
NET PROFIT	-778	7	2.598	1.259	-2.172	-4.821	-5.154	-5.101	-477	3.015	5.666	5.204	-753

Table 12: Profit and Loss Projection 2009

6.7 Balance sheet

As start-up capital we planned €300.000,- which will be placed by Saeco Austria AG.

Forecast balance sheet 31.12.2008

<i>ASSETS</i>		
<i>Current assets:</i>		€ 89.120
Cash (<i>note 1</i>)	€ 88.920	
Trade receivables (<i>note 2</i>)	€ 0	
Inventory	€ 200	
<i>Non current assets:</i>		€ 107.965
Property, Plant & Equipment (PPE)	€ 138.330	
Accumulated depreciation	€ 30.365	
Total assets		€ 197.085
<i>LIABILITIES</i>		
<i>Current liabilities:</i>		€ 0
Loans	€ 0	
Trade payables		
<i>Non-current liabilities</i>		
<i>Total liabilities</i>		€ 0
<i>EQUITY</i>		€ 197.085
Retained earnings	-€ 102.915	
Paid-up capital	€ 300.000	
Total liabilities and shareholders' equity		€ 197.085

Table 13: Balance Sheet 2008

Forecast balance sheet 31.12.2009

<i>ASSETS</i>		
<i>Current assets:</i>		€ 101.419
Cash (<i>note 1</i>)	€ 101.219	
Trade receivables (<i>note 2</i>)	€ 0	
Inventory	€ 200	
<i>Non current assets:</i>		€ 77.605
Property, Plant & Equipment (PPE)	€ 107.965	
Accumulated depreciation	€ 30.360	
Total assets		€ 179.024
<i>LIABILITIES</i>		
<i>Current liabilities:</i>		€ 0
Loans	€ 0	
Trade payables		
<i>Non-current liabilities</i>		
<i>Total liabilities</i>		€ 0
<i>EQUITY</i>		€ 179.024
Retained earnings	-€ 120.976	
Paid-up capital	€ 300.000	
Total liabilities and shareholders' equity		€ 179.024

Table 14: Balance Sheet 2009

6.8 Cash flow and funding requirements

Forecast cash flow 31.12.2008

<i>Net cash inflow from operating activities</i>		
Operating profit	-€ 101.163	
Depreciation expenses	€ 30.365	
B/S change in Trade Receivable	€ 0	
B/S change in inventory	€ 0	
Cash generated from operations	-€70.798	
Payment of corporate tax	-€ 1.752	
Net cash flow from operating activities		-€72.550
<hr/> <i>Cash flows in investing activities</i>		
PPE		
<hr/> <i>Cash flows in financing activities</i>		
Issue of ordinary share capital	€ 161.470	
Issue of loans	€ 0	
Interest paid	€ 0	
		€161.470
Cash Flow		€88.920

Table 15: Cash flow 2008

Forecast cash flow 31.12.2009

<i>Net cash inflow from operating activities</i>		
Operating profit	-€ 16.309	
Depreciation expenses	€ 30.360	
B/S change in Trade Receivable	€ 0	
B/S change in inventory	€ 0	
Cash generated from operations	€14.051	
Payment of corporate tax	-€ 1.752	
Net cash flow from operating activities		€12.299
<hr/> <i>Cash flows in investing activities</i>		
PPE		€0
<hr/> <i>Cash flows in financing activities</i>		
Issue of ordinary share capital	€ 0	
Issue of loans	€ 0	
Interest paid	€ 0	
		€0
Cash Flow		€12.299

Table 16: Cash flow 2009

7 Risk analysis

7.1 Overview

The incorporation of product innovation and customer interaction will create a unique competitive advantage for Saeco Austria Café. However, there are many risks associated with this venture which must be thoroughly analyzed in order to prepare a strategy to combat these risks.

7.2 Limiting factors

With a limited product range of coffee machines offered for immediate take-away in the café, a risk is posed for the business. However, Saeco Café will provide a catalog for consumers which enable them to browse all products offered by Saeco. The close relationship the café will have with the existing premise in Lustenau will ensure that customer needs are met, orders filled instantaneously, and machines are delivered efficiently.

7.3 Critical success factors

Consumers must be educated on the advanced technology incorporated into Saeco coffee machines. By understanding our product quality, consumers will be better informed on the luxury and usefulness of our product range. Coffee machines will provide the most income for our café, therefore, it is necessary to capitalize on strategies that attract the target market for this product. The coffee culture supported by Saeco Café will create a positive environment for consumers to observe our product range. A strategy of the café for long-term success is to create loyal customers which will result in repeat sales for our business.

7.4 Alternative scenarios

Much of the success of our business will rely on our ability to adapt to changes, or risks, which are both controllable and uncontrollable. To sufficiently combat risks of the café, we must have adequate scenario techniques in place that will prepare us for any and all aspects of operating a business. Since our corporate parent, Saeco International is able to provide equity for our start-up endeavors, we will have a strong initial cash flow. Our share in the market will increase as we effectively market our products to our target consumers. The coffee and porcelain dishes we produce will provide additional income for our business in the event that our machine sales are not able to maximize our profits. Consumers will also have the opportunity to rent our machines for events which will further spread our brand name. Successfully managing the risks we encounter will make our business profitable.

7.5 Specific risks and their solutions

Industry risks

The coffee culture has become increasingly more popular over the last decade. Not only will we rely on the quality of our products, but we will also support and incorporate the coffee culture into the café atmosphere. In the event that coffee was to be replaced by an alternative beverage,

such as tea, the café would have to adjust to the change in trend. In this scenario it would be most beneficial for management to invest in significant advertising to encourage consumers to observe the advantages of our products.

Throughout the summer months less money will be spent by consumers on coffee products. Therefore, the risk of how consumers perceive the quality of our goods is essential. In order to counteract a decline in demand, the café will offer iced beverages in the summer season.

A long-term perspective should be employed to understand competitors. Should local cafés expand their operations, our café should not expect an influx of consumers. In addition, a risk lies in the statistical analysis that the market is growing which could in the future influence major companies including Starbucks, Illy, and/or Nespresso. These competitors could potentially invest in a coffee shop in the Lake Constance region. Saeco Café will exploit the success of its parent corporation's brand name. The foundation of the consumer base will include consumers who are already familiar with Saeco products and can attest to their quality and success. As major competitors create their subsidiary units, Saeco Café will have the advantage of experience with the local market.

Market risks

Our distinct specialty products will attract a higher-income consumer. Therefore, economic instability would result in consumers allocating less money for household and pleasure goods. Our café has accounted for this risk in that if machine sales are not maximized, the sale of coffee will provide additional income. Research has demonstrated that over recent years there has been increased spending on products that are a *want* and not necessarily a *need*. Currently, consumers purchase a new coffee machine every five to seven years. In the event that consumers of the region are not reinvesting in new Saeco machines, our café could experience a weak fiscal year. However, unique to our shop is the ability to rely on the variation of products offered at the café for additional income. A solution to hesitant market consumers is to allocate a significant amount of money for the advertisement of our machines.

Investment risks

It is necessary for our café to allocate sufficient funds for advertising. We have initially forecasted that money will be invested in newspaper ads as well as printed machine ads on our take-away coffee cups. Due to seasonal changes in demand, our start-up year will enable our management team to observe the trends and apply capital as necessary for advertisements. Most of the advertising capital will be spent during the winter months because the greatest volume of sales is forecasted in this period. Saeco Café will generate most of our machine sales in the winter season due to increasing coffee consumption in these months and Christmas purchases.

Selling business to consumer is a new venture for Saeco. Generally machines are sold to retailers, including Mediamarkt, which are involved with direct customer interaction. It is important to foster a successful venture in the Saeco Café while maintaining a strong relationship with retailers. The retailers are of significant value in the product integration chain. Since there are no major distributors of Saeco machines in Bregenz, the café is justified in its endeavor of selling machines as well as coffee.

In addition, it is important to ensure that adequate sales staff are employed and well trained to facilitate our sales. Inadequate personnel would be unacceptable for consumers; therefore, we have hired three full-time staff and two part-time. In our busiest periods of operation we have the opportunity to employ the part-time staff as full-time personnel. Staff will be well-trained and able to field all consumer questions.

8 Conclusion

As the coffee culture continues to spread, a significant opportunity is created for Saeco Café. We will capitalize on this opportunity with a venture that will allow direct customer interaction and a new route of sales. As the core focus of the café is to maximize sales of coffee machines, supplementary income will be provided by products which complement the machine sales. Strategic goals of the business will combat risks and highlight strength while enabling the café to reach break-even in the second fiscal year of operation. Saeco Café will target local consumers through advertising and will foster a friendly environment for the purchase of products offered. Through competitor analysis, the café has the opportunity to distinguish itself with a unique diversification strategy.

9 Sources

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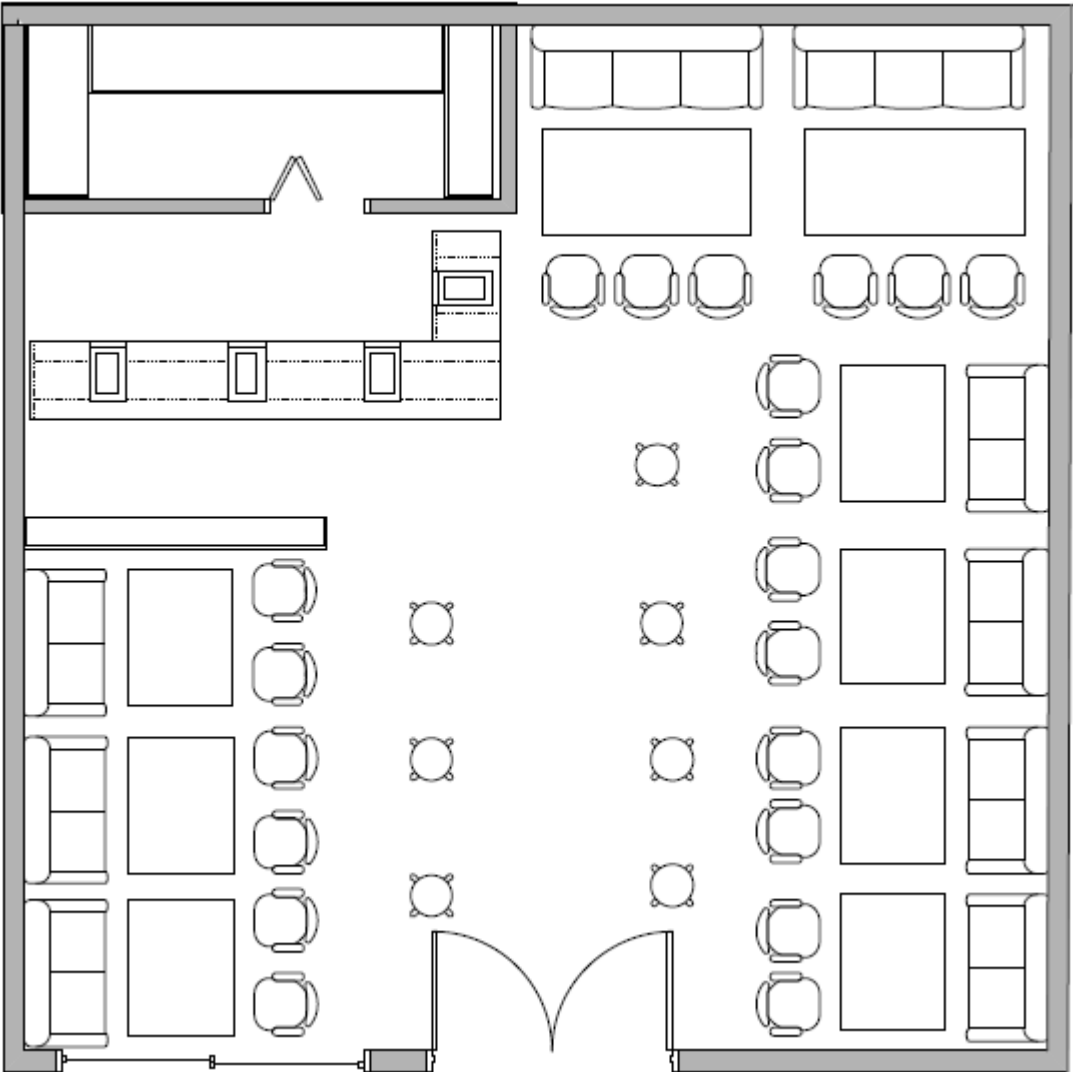
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a) Store Outlet



b) Product range coffee drinks

The Graph below indicates what kind of coffee specialities the Saeco Austria Café will offer to its customers.

ESPRESSO & COFFEE

ESPRESSO
ESPRESSO MACCHIATO
ESPRESSO CON PANNA

GRÖSSEN/SIZES S = 0,2L M = 0,3L L = 0,4L

	CAFFÈ LATTE Espresso, viel Milch, Milchschaum		CAPPUCCINO ein Drittel Espresso, ein Drittel Milch, ein Drittel Milchschaum
	DARK MOCCACINO Espresso, Milch, dunkle Schokolade, Schlagobers dunkel, Schoko-Topping		WHITE MOCCACINO Espresso, Milch, weiße Schokolade, Schlagobers, Zeramel-Topping
	BARISTA SPECIAL Lassen Sie sich von der persönlichen Kreation des Baristas überraschen		CAFFÈ AMERICANO Kräftiger Kaffee auf Espresso-Basis

HOT DRINKS & EXTRAS



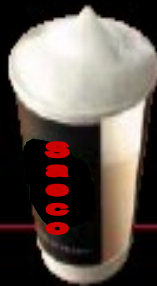
DARK CHOCOLATE

Dunkle Schokolade
Milch
Schlagobers dunkel



WHITE CHOCOLATE

Weisse Schokolade,
Milch,
Schlagobers



CHAI LATTE

Chai-Tea-Aroma,
Milch,
Milchschaum



STEAMER

Aroma nach Wahl,
heiße Milch,
Milchschaum

TEA Erlasene Teesorten

GRÖSSEN/SIZES S = 0,2L M = 0,3L L = 0,4L

AROMA SHOT

Aroma für jeden Geschmack

ESPRESSO-SHOT

Intensivieren Sie Ihren Coffee

TOPPING

Caramel- oder Schoko-Sauce

WHIPPED CREAM

Schlagsahne/Schlagobers

Alle heißen und kalten Getränke – ohne Aufpreis – auch koffeinfrei,
mit fettarmer Milch oder Sojamilch erhältlich

All hot and iced beverages – also caffeine-free,
with low fat milk or soya milk

c) Competitor Analysis

Competitors of the Saeco Austria Café ¹	
<i>Cafés</i>	
<p>See Café Promenade 6900 Bregenz</p>	<p>This café is located directly at the promenade of the lake of Constance, and attracts mainly tourists as they pass by to the “Festspielbühne” (the floating stage of Bregenz). It attracts people at all age, as there is a play ground near by it is also suitable for children. They offer a viarity of ice-cream, cakes and the regular coffee products that can be get in a café (regular coffee, cappuccino, espresso). This café is only opened in the spring and summer (May to August), and has only out-door seating options. They have high prices at this café as it takes about 8 minutes to get in the city centre, and they are the only café located directly at the lake.</p>
<p>Cafe Bar Club Neptun Opal Gaststätten Ges.m.b.H, GF Werner Brugger Deuringstraße 3 6900 Bregenz</p> <p>Telephone +435574/58053 +43676/7401003</p> <p>Opening hours Monday to Thursday 09:30-02:00 Friday 09:30-04:00 Saturday 01:00-04:00</p>	<p>The café bar describes itself as the most communicative place in Bregenz. It sees itself as an Inn-club in Bregenz. During the day it is a café with seating options inside and outside. During the evenings it is a club-bar where DJs play Swing, german culture music and on Saturday party music.</p> <p>They offer drinks and a small selection of cakes which they get from the bakery “Mangold”. They offer there goods at a high price. The main customers of this club are between the ages of 25 – to 40 years old, and have average income. As it is one of the In-clubs in Bregenz they have a rather loyal customer base.</p>
<p>Café Wunderbar Hämmerle Karin Bahnhofstraße 4 6900 Bregenz</p> <p>Telephone +435574/47758 +43699/146533-60</p> <p>wunderbar@wunderbar.at http://www.wunderbar.at</p> <p>Opening hours Monday – Saturday 10:00-04:00 Sunday 14:00-01:00</p>	<p>During the day this café located directly in the city centre is a frequent visited baric café. It offers internet/WLAN use for free as a extra service to its customers. They have seating options indoor and outdoor, directly in the pedestrian area. It attracts people between the ages of 20 to 40 and has won the “Conrad Seidl Bier Guide” 2007 price for offering one of the best brewed beers in Bregenz.</p> <p>They have a medium range of coffee selection and offer it at a moderate price. This local café is a place where the high society of Bregenz wants to meet.</p>

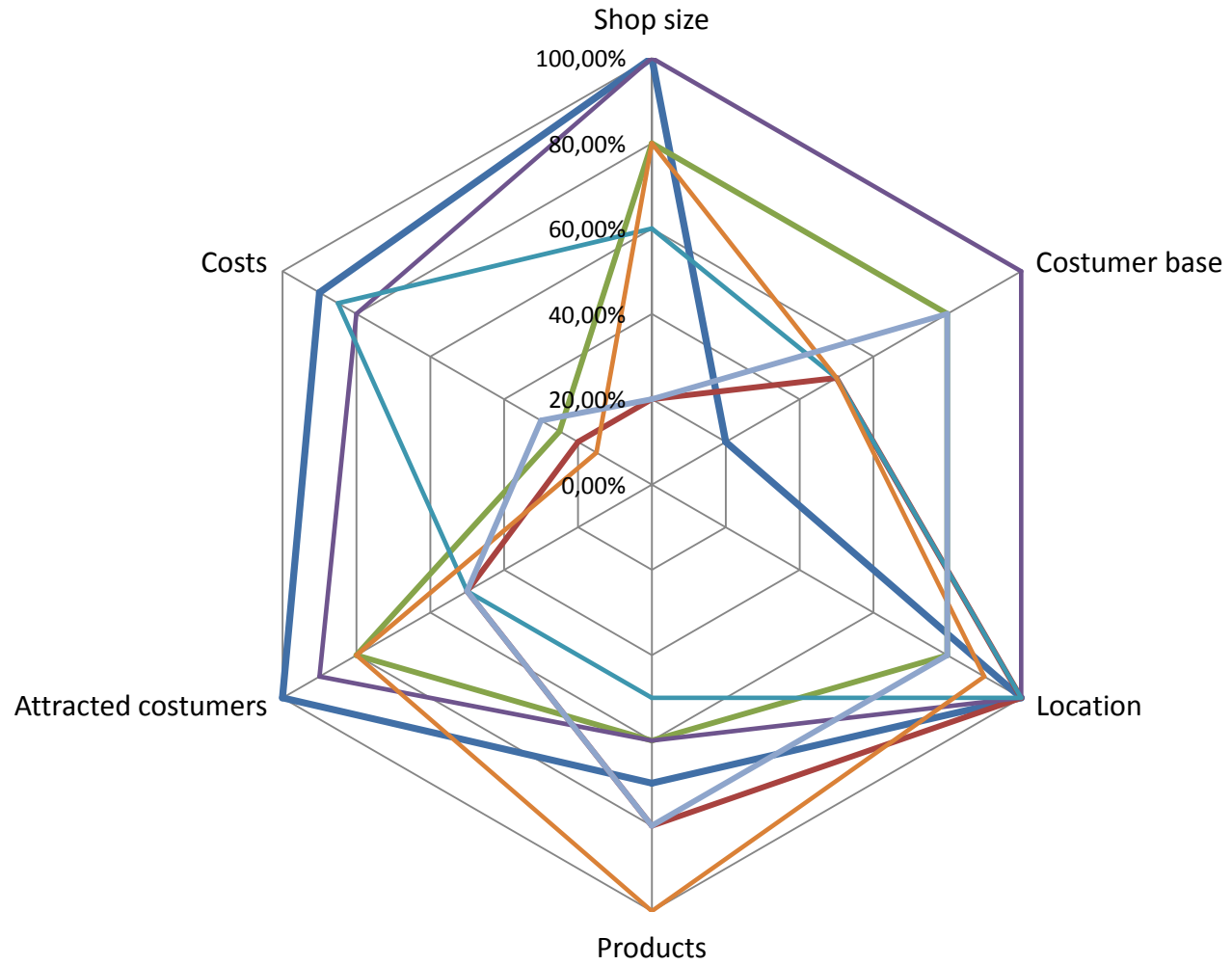
¹Source: <http://www.bregenz.ws/>

<p>Café-Konditorei Götze Götze Gerhard Kaiserstraße 9 6900 Bregenz</p> <p>Telephone +435574/44523 office@conditorei-goetze.com http://www.conditorei-goetze.com</p> <p>Opening hours Monday – Friday 08:00-18:00 Saturday 08:00-17:00</p>	<p>This traditional café opened in 1887 in Bregenz is one of the oldest companies in Bregenz. They offer freshly baked high quality cakes and sweets. Moreover they offer biscuits, and pastries which are own prepared.</p> <p>They have all in all 50 seating options indoor and outdoor directly in the city centre of Bregenz. They differentiate themselves through the broad selection of food. Coffee is sold as a complimentary product. The café attracts tourists as well as local residents between the age of 40 to 70.</p>
<p>Café-Restaurant Gunz Gunz Hans Anton-Schneider-Straße 38 6900 Bregenz</p> <p>Telephone +435574/43657-30</p> <p>pension_rest_gunz@aon.at http://members.aon.at/pension_restaurant_gunz</p> <p>Opening hours In summer Monday, Wednesday – Sunday from 8:00 to 21:00 o'clock Monday to Sunday 08:00-19:00</p>	<p>This café is located near the harbour of Bregenz and attracts mainly tourists. They offer pastries, small menus, coffee and breakfast. Their products can be bought at a moderate price.</p> <p>Through the location and the ship transaction many tourists go to this café as they pass buy the harbour in order to get into the city.</p>
<p>Theatercafé Troy Rainer Werner Kornmarktplatz 4 6900 Bregenz</p> <p>Telephone +435574/47115 +43664/3420382</p> <p>rainer.troy@theatercafe.at http://www.theatercafe.at</p> <p>Opening hours: During the festival season Monday open – Tuesday to Saturday 08:00-20:00 Sunday 09:00-19:00</p>	<p>The "Gault Millau"-Haubenlokal with café form the Bodensee to Innsbruck is known for the best known coffee culture and bakery. They offer menus for lunch and coffee as well as breakfast options.</p> <p>It is located in the city centre but not directly in the pedestrian area. It's at the "Kornmarktplatz" where the museum of culutre and art as well is situated. Many local residents like this café as it has an extraordinary flair and also sometimes has exhibitions of paintings in it.</p> <p>It is similar to the "Kub Café" but distinguishes itself through a broad selection of coffee and bakery. They have high price high quality products, and is for people with a high level income. Mainly their customers are over 40 and belong to the high society of Bregenz (politicians, designers etc.).</p>

<p>Kornmarkt Bar Faber Rosemarie Kornmarktstraße 4 6900 Bregenz</p> <p>Telephone +435574/58692 (0664/1608161)</p> <p>kornmarktcafe@a1.net</p> <p>Opening hours Monday to Friday 08:00-18:00 Saturday 09:00-16:00</p>	<p>The café is cosy location to get muffins, crêpes and good coffee. They offer the products at a high price. The location is very small as only 20 customers can be served in the café. It attracts mainly tourists and local inhabitants who are interested in culture as it always has new exhibitions of paintings and other creative things in its shop. The main customers are in the age between 35 – 50 years old.</p>
Bakeries	
<p>Bäckerei Mangold Bäckerei Mangold GmbH Kaiserstraße 27 6900 Bregenz</p> <p>Telephone +435574/45039 +43664/3410508</p> <p>Opening hours Monday – Friday 07:00-18:30 Saturday 07:00-16:00</p>	<p>This bakery is located directly in the pedestrian area in the heart of Bregenz. “Mangold” offers seating places for 10 people. The offer cakes, snacks, bread, sweets and a small selection of coffee. The products at “Mangold” are very cheap; they follow a low cost strategy.</p>
<p>Café Kloser Kloser's Bäckerei GmbH Gallusstraße 51 6900 Bregenz</p> <p>Telephone +435574/42178</p> <p>Opening hours Monday until Friday 05:30-13:00 and 16:00-19:00 Saturday 05:30-12:00</p>	<p>This Café is a only to go bakery, they offer donuts, bread, snacks, sandwiches and very cheap coffee. They mainly attract young customers because of their price. The café is situated in the city centre, near a school.</p>
<p>Café Ritter Ritter Peter August Riedergasse 2 6900 Bregenz</p> <p>Telephone +435574/45366</p> <p>Opening hours Tuesday to Friday 07:00-18:30 Saturday and Sunday 10:00-18:30</p>	<p>This café is a very small bakery, which's main customers are people in the age between 50 and 70 years. It is a very old and traditional café, which does not attract young customers. As it is located in the historical part of Bregenz, 4 minutes from the city centre, mainly local inhabitants go to this bakery. They have prices in the average pricing range.</p>
<p>KAFFEMACHER Kaiserstraße 5 6900 Bregenz</p>	<p>This café is a coffee specialist in Bregenz. It is the only coffee shop that offers a broad selection of coffee specialities. The café is very small and has seating areas inside which</p>

<p>Telephone +4355744657</p> <p>Opening hours Tuesday to Friday 07:00-19:00 Saturday and Sunday 10:00-17:00</p>	<p>have a capacity to serve approximately 10 people, where as during the summer seating options outside the café cover another 20 people. It is mainly a coffee to go shop.</p> <p>Their coffee selections are offered at a moderate price. Their target group is every person who wants coffee. It is not so much the experience you get in the shop rather the exclusive selection of coffee they offer.</p>
<p><i>Electronic Facility Store – coffee machines</i></p>	
<p>Breithammer Electra Extra Elektrofachhandel Kornmarktplatz 44 6900 Bregenz</p> <p>Telephone +4355745923</p> <p>Opening hours Monday to Friday 9:00 to 12:00 and 13:00 to 18:00 Saturday from 10:00 to 14:00</p>	<p>This is the only company in the Bregenz centre which sells coffee machines. They have “Jura”, “Nespresso” and “Saeco” coffee machines.</p> <p>They sell them to a moderate price. In the whole centre of Bregenz this is the only store with household appliances that offer coffee machines.</p>
<p><i>Ceramic Dish Store</i></p>	
<p>Mäser Quellestraße 24 6900 Bregenz</p> <p>http://www.maeser.at</p> <p>Telephone +43557485631</p> <p>Monday to Friday 9:00 to 12:00 and 13:00 to 18:00</p>	<p>“Mäser” is one of the oldest dishes and ceramic store sellers in Bregenz. It is known for the high quality fabric.</p> <p>It has a loyal customer base and sell extraordinary dish collections at a moderate price.</p>

Cafés

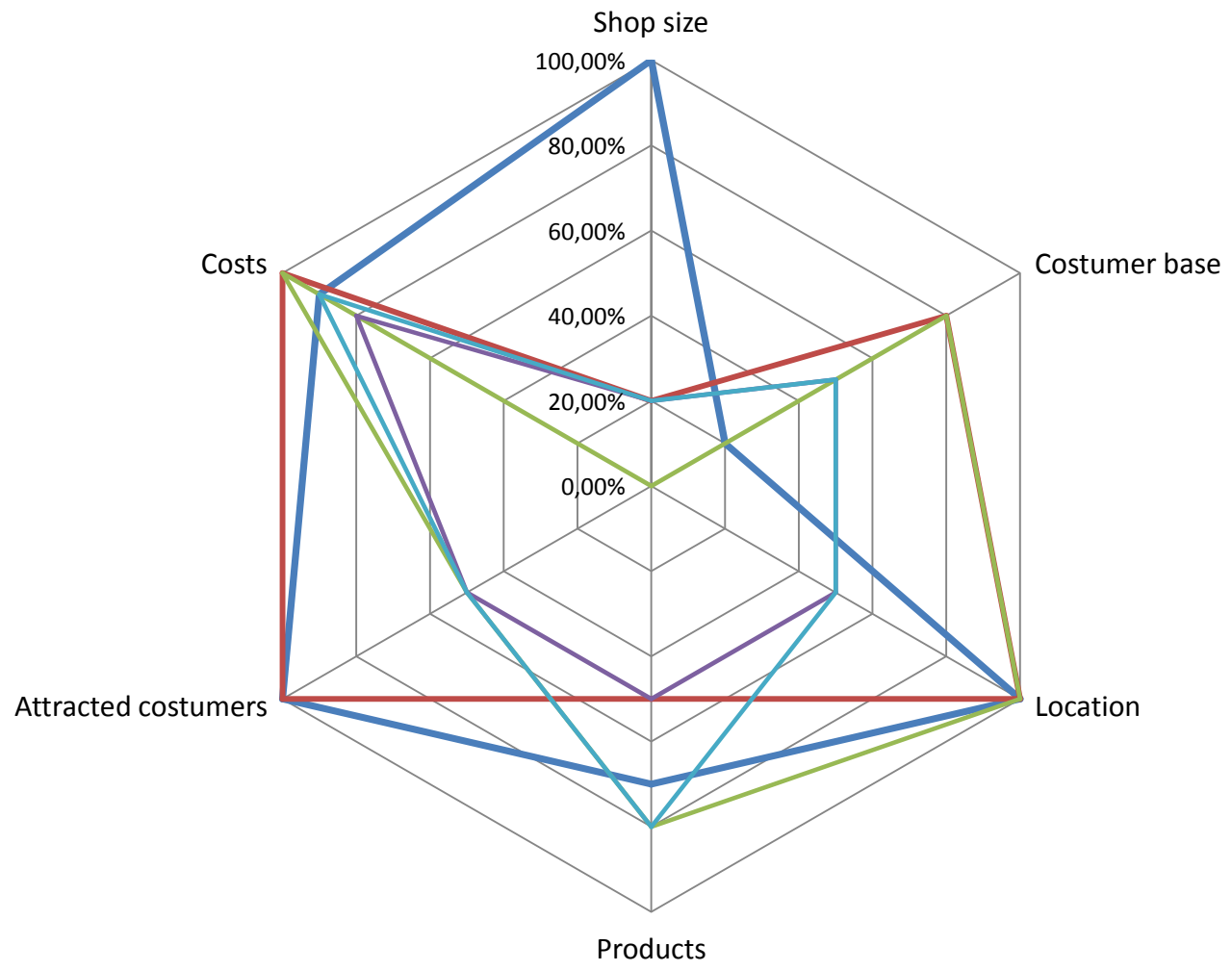


— Saeco Café
— Café Wunderbar
— Kornmarkt Bar

— See Café
— Café Restaurant Gunz

— Cafe Bar Club Neptun
— Theatercafé

Bakeries



— Saeco Café — Bäkerei Mangold — Café Kloser — Café Ritter — Kaffeemacher

Other stores

