

Jimmy John's

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1.0) Executive Summary

1.1 Company Summary

Located in a moderately priced neighborhood, Jimmy John's offers five family-oriented dining restaurants. Our menu includes a variety of delicious sandwiches, chips, cookies, and drinks.

Michael J. Jasper has acquired experience in the restaurant and catering industry, spanning almost three decades. He will purchase five Jimmy John's restaurants from a retiring franchise with an existing customer-based eatery in different cities in Georgia. One location will require renovating the dining area and updating the signage. We are a counter-serve chain specializing in sub & club sandwiches, plus signature potato chips.

Based on the projections, sales will total just over \$62,707 per week, or \$3,260,729.80 annually in 2023, if 739 customers are served per week in the 5 restaurants. The high generating revenue annually makes Jimmy John's an exceedingly desirable concept for ownership in a franchise market where \$3.5 to \$4.0 per square foot revenue is considered moderately profitable, making the concept an excellent investment for the owner. There will be a total start-up cost of \$800,000 to \$1,000,000. The start-up costs will be funded through loans and returned monthly with interest.

Business Objectives

The restaurant's business plan consists of the following objectives:

- Providing a premier home-style dining experience
- Provision of quality meals at reasonable prices with exemplary service as part of our mission
- Ensure that each lunch and dinner service have a cover ratio of 1.00X
- Achieving a Prime Cost Ratio of less than 65%

Mission Statement

To provide a homelike dining experience, we intend to focus on offering a unique and relaxing experience. To achieve this goal, we will provide menu items infused with quality ingredients at reasonable prices and ensure that our staff receives customers with dignity and respect – just as we would serve our guests at our own homes.

1.2 Start-up Summary

Ownership

Michael J. Jasper of Georgia will operate a local company founded by Jimmy John Liautaud and the franchise. Founded in 1983, Jimmy John's has been the epitome of quality services.

Guiding Principles

1. We remain committed to customer satisfaction and ensuring our staff's welfare, which we consider a part of our family values. We aim to treat clients and employees similarly to how we would wish to be treated.
2. Gratitude means showing appreciation for our customers, employees, and vendors - because we would not be standing where we are today without their commitment, input, service, labor, and time.
3. Our service focuses on providing customers with the warm and friendly service one would expect from a family-style restaurant. It promotes an informal, comfortable environment that will make the customers feel comfortable and eager to return, ensuring repeat business and increasing our loyal customer base.

Success factors

- Every customer who visits us once should wish to return and recommend us to others. Word-of-mouth marketing is an excellent marketing tool.
- We hire the best chefs and provide training programs to keep them on top of their game and pay top wages to ensure their continued employment and loyalty towards the business.
- Our locations are of utmost importance to us as we do not want people to travel long distances to reach us.
- The menu offers a variety of dishes with a "down home" theme, with a reasonable price to establish credibility but not so high as to restrict customer traffic.

- Jimmy John's will distinguish itself from competitors by maintaining a countryside and charming casual dining atmosphere. In addition to offering a casual dining experience in a cozy atmosphere, Jimmy John's will stand out from the other restaurants in the area with its unique design, decor, and high-quality foods.
- Not only will the products offered to the customers be of high quality but the service and atmosphere will be outstanding.
- Clientele from a wide range of backgrounds will benefit from the menu.
- Whether you are planning an office party, anniversary, birthday party, retirement party, or graduation party, we will have catering services to suit your needs.
- Packaged meals are available for on-the-go individuals.
- Maintaining cost control at all times.

1.3 Marketing Opportunities

Georgia has experienced an impressive 3.5% growth in restaurant sales volume during the first quarter of 2019 compared to the same period last year, according to the Georgia Restaurant Association (GRA). According to Black Box Intelligence, a research firm tracking the restaurant industry, 71% of 109 independent Atlanta restaurants surveyed reported positive comparable sales trends in the first quarter. In contrast, half of all national restaurants reported negative sales.

According to this statistic, from 2012 to 2017, the revenue of restaurants and other eating places in Georgia was approximately 22.5 billion U.S. Dollars, with a forecast to 2024.

2.0) Market Analysis Summary

2.1 Global Market

Even with the enormous challenge of the Coronavirus (COVID-19) pandemic threatening all types of businesses worldwide since 2020, the restaurant industry in the United States has witnessed healthy growth. The U.S. quick service restaurant (QSR) industry is expected to grow by more than 100 billion dollars in 15 years, reaching 261.2 billion dollars in 2021 as a leading contributor to the global restaurant market. It is estimated that the U.S. full-service restaurant industry will generate over 72.8 billion dollars in revenue in 2021, a growth comparable to that of the food service industry. The restaurant industry has become integral to many Americans' everyday lives. While millions of Americans are employed in the hospitality industry, the number of employees in the U.S. restaurant industry decreased significantly in 2020 due to nationwide restaurant closures brought on by the health crisis unleashed by the pandemic.

The McDonald's franchise was by far the leading restaurant chain in the United States in terms of sales in 2021, followed by Starbucks and Chick-fil-A. Some restaurant chains, especially quick-service restaurants, have become household names in the U.S. and globally. A global fast-food giant in 2021, the company was also the world's most valuable quick-service restaurant brand. McDonald's exceeded all leading burger franchises, including Burger King and Wendy's, with an estimated brand value of approximately 155 billion U.S. dollars and annual sales exceeding 40 billion U.S. dollars. Aside from its sales performance, the company outperformed the most successful fine dining chains in the United States. Following the ever-increasing consumer demand for quick and affordable meals, QSRs have experienced steady growth over the past few years. It

is anticipated that there will be over 192,000 QSR franchises in the U.S. by 2022. Although many of these restaurants had to close their doors temporarily in 2020, the drive-through of Jimmy John's and delivery infrastructures allowed them to resume operations during the pandemic.

Market Analysis

In this analysis, the Standard Industry Code ("SIC") 5812 is used to identify establishments primarily engaged in retail sales of ready-to-eat or ready-to-drink food and beverages for consumption on-premises. Additionally, it is categorized under the North American Industry Classification System (NAICS) 722110 – Full-Service Restaurants.

Individual companies can differ in terms of profitability, depending on factors such as demographics, consumer tastes, and personal income. QSRs are characterized by efficient operations and high-volume sales, whereas high-profit items and effective marketing strategies distinguish FSRs. It is labor-intensive. Large companies have advantages in purchasing, financing, and marketing. Smaller companies can provide superior food or services.

2.2 SWOT Analysis

We know that there are several restaurants throughout Georgia, including at the same location where we are running our operations in the five already established franchises of Jimmy John's. This is why we are following the appropriate procedures to establish a business. By analyzing our business using SWOT analysis, we can maximize our strengths, leverage our opportunities, mitigate our risks, and be prepared to deal with our threats effectively.

To conduct a thorough SWOT analysis and create a business model that will assist us in achieving our business goals and objectives, Jimmy John's engaged the services of an expert Human

Resources and Business Analyst focusing on the food industry. We have summarized the SWOT analysis conducted by Jimmy John's in this document;

Strengths

- Certainly, Jimmy John's location, business model, payment options, a wide array of sandwiches and soft drinks choices, and strong customer service culture will be our greatest strengths.
- Excellent staff and management offer outstanding and personalized customer service to the clients.
- This retail space offers great flexibility and a positive, attractive, and inviting atmosphere.
- Having a good reputation through word of mouth.
- Among repeat customers, there is a high degree of customer loyalty.

Weaknesses

- Being a franchise-based restaurant business with insufficient financial resources to compete with large chains like McDonald's, Subway, and others will be a disadvantage.
- An increase in operating capital is available.

Opportunities

- Based on feasibility studies and market surveys, we have determined what our potential customers will be seeking when visiting our establishment. This places us in a position to take advantage of the opportunities that will arise.
- There is a growing market for our product, but a significant percentage of our target market is unaware of our existence.

- Strategic alliances will provide referral sources and joint marketing activities to help us reach a broader audience.
- Attract a loyal clientele of caterers.

Threats

- It is a fact that an economic downturn affects purchasing/spending power and therefore is one of the biggest threats to any business. As a result, we may face a threat from the opening of a new sandwich shop, pizza shop, or fast-food restaurant in the same location as ours.
- Stock market predictors and store sales are correlated as a result of the downturn in the economy.
- The market is weak, or competitive pressure will continue to cause price pressure, reducing contribution margins.

3.0) Sales Strategy

3.1 Marketing and Sales Strategy

With the help of our quality home-style meals prepared with quality ingredients at reasonable prices, we will position Jimmy John's as the premier home-style restaurant in the mentioned locations. The restaurant will provide a relaxed atmosphere in our restaurant, with warm smiles and a welcoming staff.

Chains have intended to establish home-style restaurants but failed to establish a personal touch. Using the POS system known as "The Expediter" to monitor inventories and time meals has replaced one of the most important aspects of a restaurant - staff friendliness! Due to these concerns, a few chain restaurants are testing self-pay tables.

Our goal at Jimmy John's is to be the premier restaurant to work for. We believe the restaurant industry is the perfect place to begin a career or pursue a full-time career.

According to the Restaurant Association, more than one out of four adults began their careers working in the restaurant industry at some point in their lives. As a restaurant, Jimmy John's believes we provide entry-level and part-time job opportunities for those seeking flexible working hours and entry-level applicants. We believe we can achieve this by meticulously keeping our records, including daily reviews of the Prime Cost Report, and using Cost Accounting Systems to prevent inventory shortages. As a company, we are committed to providing our workers with the most advanced training regarding safe food handling and worker safety measures. We will

schedule regular performance reviews for our employees and provide bonuses and other incentives to motivate them.

As part of our commitment to staying updated and aligned with current marketing trends, we will maintain a website that provides our menu, a map, driving directions, and a Facebook page and utilizes other social media such as Twitter. We will collaborate with Groupon and Yelp to develop a loyalty and birthday club, which has been shown to increase earnings up to 15%, according to recent reports.

3.2An Overview of Strategy

Plan of action

We strive to be the area's most customer-friendly home-style food restaurant.

Techniques

We begin to create awareness by placing signage on the front of the restaurant, enticing customers to visit. We will immediately greet the incoming customers warmly and sincerely to encourage them to return.

Programs and services

Training employees on customer service and retention; providing ongoing training programs to keep them informed of industry trends and food safety will prepare them to dispense their duties professionally. We will employ mystery shoppers and use online surveys at the table to monitor employee progress. Provide employees with incentives to attract retail customers. Keep track of employee progress by conducting performance reviews.

In addition, we will implement a very aggressive Local Store Marketing campaign that will include couponing, sampling, and discounts.

An innovative selling point (USP)

In a comfortable and homelike setting, Jimmy John's can offer home-style meals at a reasonable price. Average check prices are expected to be between \$15 and \$18, consistent with industry standards. Due to our experience with vendors and excellent credit ratings, we can negotiate better credit terms than someone starting a restaurant for the first time. Furthermore, our menu will be reasonably priced, and by taking advantage of the seasonal produce, the prices will be further reduced on menus offering seasonal produce. In addition, we will keep our prices down by diligently monitoring our controllable expenses and our Inventory and Prime Cost Reports. For example, we can further reduce our controllable expenses by initially employing family members who will work for lower and reduced wages.

3.3 Target Market

Already established franchises located in the strategic neighborhood, the restaurant is ideal for families intending to relax after a long day at work by enjoying a perfect meal without having to clean up.

The target market for our restaurant cum food business covers people from all walks of life, as food is necessary for everyone. Our intercontinental restaurant will be located at various locations across the globe. We are prepared to meet the needs of as many people as possible within these various locations. We have defined certain groups of people as our primary target to remain focused on what type of business brand we intend to develop. They are:

- Immigrants
- Visitors from abroad
- Senior Executives

- Individuals and families
- Public figures
- Community of Diplomats
- Inhabitant's
- Organizations corporate

In accordance with the National Restaurant Association, the top ten trends are as follows:

1. Produce grown locally,
2. A culinary theme centered on sustainability,
3. Healthy dishes for children,
4. The use of hyper-local items (locally grown and networked - similar to Craigslist for the restaurant industry)
5. A culinary theme devoted to children's nutrition,
6. Items that meet gluten-free allergy requirements,
7. A return to basics in cuisine
8. Ingredients of farm brand.

3.4 Sales Forecast

The importance of customer service cannot be overstated. Surveys indicate that only one out of twenty customers will inform management of a problem at a restaurant. In addition to a wonderful meal, our goal is to deliver excellent customer service.

Our training programs will include materials to teach our employees about customer service attitudes, service perceptions, and handling guest complaints. In addition to reviewing policies, increasing guest satisfaction, and maintaining a general line of communication between employees and management, Michael J. Jasper will conduct periodic staff meetings. Staff will acknowledge and refer all guest complaints to management. Programs will be established for all types of guest complaints. Serious complaints will be documented and preserved. Feedback will be obtained from customers through surveys or mystery shoppers.

According to the following table, sales are expected to increase over the next five years:

	2023	2024	2025	2026	2027
Total In Shop	\$ 2,450,403.57	\$ 2,762,854.09	\$ 3,094,396.58	\$ 3,465,724.17	\$ 3,985,582.80
Total Delivery	\$ 789,270.71	\$ 891,875.90	\$ 954,307.21	\$ 1,068,824.08	\$ 1,229,147.69
Total Party	\$ 90,227.52	\$ 101,957.09	\$ 109,094.09	\$ 122,185.38	\$ 140,513.19
Sales Adjustment	-\$68,172.00	-\$78,164.336	-\$87,544.08	-\$100,675.69	-\$115,777.04
Total	\$ 3,260,729.80	\$ 3,756,687.09	\$ 4,070,253.80	\$ 4,556,057.94	\$ 5,239,466.64

3.5 Publicity and Advertising Strategy

We are quite aware of the fact that restaurant businesses require media hype to attract customers and promote their brands. To do so, we have determined to make provisions for the serious promotion of the brand. To promote and advertise our business, we will be utilizing the following platforms:

- Make use of national television, radio, and newspaper/magazine advertising
- Provide sponsorship for relevant community programs and schools
- Take advantage of the internet and social media platforms such as Instagram, Facebook, Badoo, and others
- Strategically place our billboards
- We will regularly distribute fliers and handbills in targeted areas
- Use direct mail to reach potential clients directly or by including a postcard with a value pack.

4.0) Operating Plan

4.1 Daily Operations and Production

Jimmy John's will offer lunch and dinner seven days a week, requiring multiple staff shifts. The General Manager will write the schedules based on a template provided by Michael J Jasper. To maintain consistent labor cost control, the schedules will be written to allow for the increase or decrease in hourly labor based on sales volume.

The proper labeling and rotation techniques, combined with adequate storage facilities, will ensure that high-quality prepared products are readily available during peak business hours to meet customer demands. It is anticipated that replenishment and ongoing preparation will continue during non-peak business hours.

Michael J. Jasper will be responsible for ordering, receiving, and maintaining adequate inventory to meet production demands. A staggered ordering schedule will allow perishable products to be ordered multiple times per week to maintain freshness. A predetermined schedule and storage capacity will determine how frequently grocery and supply orders will be placed.

During each work shift, Managers will use an operational checklist to ensure that all work shifts have been properly prepared and that operational standards are observed before, during, and after work shifts.

Several factors, including the restaurant's layout, the dining room, the kitchen, and the serving line, have been taken into account to ensure that the restaurant can accommodate peak periods of customer traffic and fluctuations in customer traffic.

When guests arrive, an assistant manager or server will greet them immediately, and the guests will have the opportunity to seat themselves. Upon taking the order from the customer, the requisition will be automatically printed to the prep area requisition printer. The prep cook will use the printed ticket to keep track of orders. There is a minimum staff of 1 line cook and a maximum of 4 cooks required to operate the kitchen preparation line. The design allows for the adjustment of staffing to meet the business volume. Shift changes will require cleanup, restocking, and preparation on behalf of all staff. At the end of each shift, all monies will be settled. At the end of each shift, designated closing duties will be performed to ensure that the restaurant is clean and fully prepared for the following day.

4.2 Pricing Strategy

We know good foods do not come cheap, but we will do our utmost to ensure our prices are as reasonable as possible. We will strive to strike a balance between making profits and satisfying our highly regarded customers with our various intercontinental delicacies, even if they do not come cheap compared to local or everyday meals in the United States.

As part of the strategy for setting prices, we will only consider what is available in the market, along with sampling the opinions of our target market regarding the amount they are willing to spend on intercontinental meals.

4.3 Payment Options

We have an all-inclusive payment policy since different people prefer different payment methods depending on what is comfortable for them. Below you will find the options that will be available in all of our outlets;

- Cash payment
- POS (Point of Sale) payment
- Payment by mobile money

- Payment via Credit or Debit Card

Due to the above reasons, we have selected banking platforms that will assist us in achieving our goals without experiencing any difficulties.

4.4 Sustainability and Expansion Strategy

In terms of growth, we intend to expand our customer base throughout West Georgia. We intend to build and communicate our brand to our targeted market for the first five years of our business.

Interested entrepreneurs are invited to apply for our franchise to become ambassadors if they have the required skills. As soon as our brand has gained general acceptance, we anticipate that we will be able to sell our franchise more successfully to entrepreneurs who intend to utilize our brand as a basis for their businesses.

Further, we will provide our staff with regular training and development. We will not cease to explore a variety of intercontinental meals from different corners of the globe.

5.0) Organizational Structure

5.1 Executive Team

Michael J. Jasper

Job Roles and Responsibilities

- Provides business direction
- Develop and implement the organization's overall strategy by developing, communicating, and implementing its vision, mission, and overall direction.
- Manages the business daily
- Recruitment responsibility
- Payroll responsibility
- Signs company checks and documents
- Assesses the organization's success
- Board reports
- Assure that the restaurant facility is in excellent condition and conducive to customer enjoyment
- Interactions with third parties (vendors)
- Responds to customer complaints and inquiries
- Develops the organization's budget and reports

Other Employees

Our employees will be respected, and they will wear a company polo or t-shirt. We will pay our employees higher salaries (in terms of salary and benefits) than the average restaurant, and we will reimburse tuition fees, which will empower and make them happier. We will be able to meet the needs of our market and differentiate our company from the numerous conglomerates that churn out tasteless, worthless food in degraded facilities with degraded employees.

Personnel Plan	
Assistant Managers - 5	\$135,000
Store Manager - 5	\$220,000
Shift Managers Part Time - 10	\$131,000
Prep Cooks – 10	\$182,110.06
Delivery Drivers - 15	\$140,000
Mid-Manager	\$55,000
Owner	\$150,000
Total People	54
Total Payroll	\$1,013,110.06

Jimmy John's

6.0) Financial Plan

6.1 Balance Sheet

	1213 - Macon Road	1857 - PTC	2185 - Newnan	2701 - Carrollton	2901 - Lithia Springs
Total Sales - In Shop	\$ 601,606.27	\$ 522,430.67	\$ 565,204.09	\$ 376,084.51	\$ 429,036.23
Total Sales - Delivery	\$ 121,572.47	\$ 212,246.39	\$ 166,593.28	\$ 140,398.36	\$ 167,760.04
Total Income	\$ 734,237.11	\$ 733,367.14	\$ 738,257.48	\$ 513,361.96	\$ 605,799.95
Total COGS	\$ 185,787.87	\$ 181,366.90	\$ 198,602.74	\$ 138,656.28	\$ 162,309.39
Total Royalty & Advertising	\$ 78,652.10	\$ 79,093.15	\$ 79,149.62	\$ 55,233.83	\$ 65,101.89
Total Cost of Labor	\$ 220,021.49	\$ 233,482.24	\$ 218,637.02	\$ 166,530.70	\$ 204,695.66
Total Operating Expense	\$ 91,954.90	\$ 74,593.39	\$ 91,827.56	\$ 69,522.82	\$ 55,902.38
Total General & Administrative	\$ 56,879.80	\$ 58,050.65	\$ 54,326.40	\$ 53,421.98	\$ 48,655.93
Total Expense	\$ 447,508.28	\$ 445,219.43	\$ 443,940.60	\$ 344,709.33	\$ 374,355.86
8460 · Depreciation-Fixed Assets	\$ 2,884.38	\$ 3,608.39	\$ 3,566.38	\$ 2,473.67	\$ 4,260.32
8490 · Amortization-Franchise Fee	\$ 157.00	\$ 1,930.32	\$ 2,496.00	\$ 5,462.00	\$ 1,666.70
9850 · Interest Expense	\$ -	\$ 1,944.20	\$ 1,666.70	\$ 1,666.70	\$ 5,687.00
Net Income	\$ 92,212.58	\$ 93,610.90	\$ 82,298.07	\$ 14,706.98	\$ 53,215.31

6.2 Profit and Loss Statement

Summary	Total Prior Period
Total Sales Revenue [J]	\$ 3,260,729.80
Total Cost of Sales [K]	\$ 845,650.41
Total Sales, Advertising and Royalty Expenses [M]	\$ 374,457.18
Total Labor Expenses [N]	\$1,013,110.06
Total General and Administrative Expenses [O]	\$ 271,734.77
Total Other Operating Expenses [P]	\$ 383,801.05
Other Income [S]	\$ (65,323.14)
Total Taxes [T]	\$ -

Gross Profit [L=J-K]	\$ 2,415,079.39
Total Operating Expenses [Q=M+N+O+P-S]	\$ 2,018,726.60
Income from Operations [R=L-Q]	\$ 1,953,403.46
Net Profit [U=R+S-T]	\$ 307,053.19