CST 2406

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Company Description

Gong Cha is an international Taiwan-style drink shop franchise. Since being established in 2006, the number of Gong Cha chain stores, in over 10 countries, has gradually increased over 1000 and keeps on blooming. Gong-Cha-USA, are the first Franchisee Company to bring the brand to the west coast of the United States, California. A year later, in 2014, Gong Cha USA Franchisee Company established on the east coast of the United States, New York. Both Gong-Cha-USA and Gong Cha USA is established by different owner, they are a separate Franchisee Company in the United States, of course both companies work with the support from Headquarter back in Taiwan.

Gong Cha USA on the east coast New York, currently, they have 6 stores in the metropolitan area, four in Manhattan, and two in Queens. The stores ranged from standard store to a mall store. Depend on the location, their business traffic varies, few are making high standard sales, and rest low on sales. Bases on the location traffics, number of employees on duty goes from 5-2 person per shifts, with AM and PM shifts each day. The majority of their hired employees is young college students working part-time.

As mentioned, sales vary between locations, some are doing better than others. Sales categorized into cash sales, credit sales, number of product/cups sold, hourly transaction sales. Hourly sales transaction goes from high $400 to low $20. Daily sales goes from high over $3000 to low $500. Annual sales goes from high $800,000 to low $370,000. Few locations are offering online transaction sales. The price of drinks by location also varies, stores located in Queens, and Chinatown is around.25-. 50cents cheaper, and the store tax is included in the menu price. Those other locations in Manhattan are priced menu price before tax.

All ingredients and about all supplies of the store are bought from headquarter back in Taiwan, the owner placed an order to be shipped overseas from Taiwan to United States monthly. Each location store place their inventory order weekly, few smaller and busier stores have to place two orders each week to the warehouse located in New York. Currently, started this year, they are offering a franchise opportunity to other that wants to open their Gong Cha stores. The territories available for open development are NY, NJ, MA, and TX. I got news that new stores will be open in a few months in Brooklyn, other locations in Queens and Manhattan. It will be 6+n locations in the New York in a few more months, and more locations as stores open up in other states being under Gong Cha USA.