C. Project Description Rough Draft

1. **Scope**

Name: ‘Extend Old Mansion Food’s Reach into the Sauce Market’

This project is to create a fully staffed, sauce manufacturing facility that can produce, label, and bottle a custom line of sauces as well as private sauce orders, within one year.

1. **Completion Criteria**

The deliverables for this project include financial planning, getting the facility operational, purchasing the necessary equipment, securing employees, developing sauces, bottling and labeling, generating sales contracts, generating product, and distributing sauces.

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| **Deliverable** | **Success** |
| Financial Planning | An accurate cost breakdown has been approved and funded |
| Operational Manufacturing Facility | Clean water, sound foundation, proper electrical wiring, meet FDA requirements, building insured |
| Equipment | All necessary equipment has been installed and insured |
| Employees | All necessary employees have been processed and trained |
| Sauce Development | Recipes finalized and analyzed |
| Bottling and Labeling | Bottle style, label and packaging design approved |
| Sales Contracts | Website updated, current vendors agree to carry sauce line |
| Production | Sauces generated from ingredients, bottled, labeled and packaged |
| Distribution | Approved distributor makes pickup |

1. **Risk Assessment**

* Failure to obtain insurance for machines/building to prevent against acts of God

We have invested in a quality structure and plan to only invest in quality machinery. If there are any issues found during the building inspection, they will be corrected. Old Mansion Foods had previously acquired the new facility, but was unable to proceed due to scheduling conflicts. As the doors have remained locked since the time of purchase, we are anticipating having to make alterations and renovations to bring the space up to industry specifications. We have budgeted for a new water purification system in the event that the water is of poor quality upon testing. If there is a problem with the electrical wiring, we are prepared to replace it. Once the facility passes inspection, our current insurance coverage will extend to include the new structure and machinery.

* Failure to find skilled workers

We will start by using the more traditional channels: newspaper ads, posting on job boards like Indeed.com, CareerBuilder and ZipRecruiter, and updating our website to show that “We Are Hiring!” We will offer referral bonuses to our current employees that may have qualified family, friends, or school associates that would fit right in. We will look for eager, emerging workers at local trade schools. Our training program is guaranteed to fill in any gaps in education, such as, but not limited to, offering our own forklift certification program. We will search to find long term placement through technical temp agency hires. Finally, we will use social media to reach skilled workers through platforms like Linkedin.

* Failure to gain traction in new market

We are confident that our current business model can be successfully extended into the sauce market. Old Mansion Foods has successfully supplied custom and private spice blends since 1877 by ensuring our customers receive consistent quality and competitive price with every order. Our three-pronged approach to generating sales with our new product capabilities helps ensure success. Our longstanding relationships with wholesalers and local restaurants, combined with our world class research and development department, give us confidence that we will satisfy our existing customer base. While this is good, most of Old Mansion Foods’ business is brought about through our online web presence. We mitigate a large amount of risk by not competing directly with larger, well-known sauce manufacturers.

*The spice industry is an agricultural business and is subject to supply and quality changes with each season. Weather conditions, political uncertainty and price instability can severely affect world supplies. Old Mansion’s highly trained Quality Control staff samples and analyzes all spices and blends with a battery of laboratory tests to ensure they conform to our exacting requirements.*

1. **Constraints**

This project is to be completed in one year’s time within the budget of $400,000. See the table in Completion Criteria for definitions of project success.

1. **Dependency Linkages**

The budget must be approved before moving forward. The manufacturing facility must be updated and insured. Once equipment has been procured and insured, it can be installed within said facility. Staff must be properly trained before operating machinery. Before product can begin production phase, it must be researched, tested, and analyzed. Simultaneously, the bottle style, label and packaging will be in the design stage. Once recipes and packaging have been finalized, marketing to existing vendors can begin. Additionally, the company website must be updated to show the new products and the availability of sauces within the private/custom product service. After generating sales orders, the required materials/ingredients will be purchased. Bids will be accepted for a distributor, and one will be chosen. Sauces will then be created, bottled, labeled, and distributed.

1. **Impacts**

Old Mansion Foods will be hiring and training new employees to operate the sauce manufacturing facility. This will impact current staff’s normal workload and the company financially. Employees will be pulled away from their functional roles to work on project related tasks for 20 of their 40 full time hours per week.

1. **Measures of Project Success**

Two key components will define success for Old Mansion Foods’ new sauce endeavor. 1) Increased demand for product from current vendors and wholesalers.

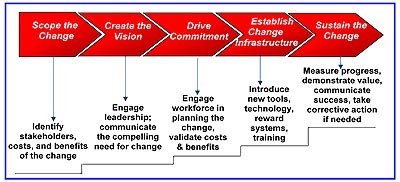
2) Substantial new business from online private/custom market with potential, unrealized profits of $7.5 million.

1. **Assumptions**

* We will be able to acquire funding
* Key project member's availability
* Key project member's performance
* Key project member's skills
* Spec testers will be available in a timely manner
* Necessary equipment will be available
* Machines will be installed without major issue
* We will find skilled labor
* Our training classes will be a sufficient resource
* R&D will be able to develop delicious sauces
* Lab sample won’t get lost in the mail
* Products will not have overly short shelf lives
* A unanimous decision will be made on design
* Current vendors and wholesalers will be interested in sauce
* Vendor performance issues
* Online sales will continue
* We will be able to source all ingredients we don’t already have
* Suppliers will have necessary amounts of goods
* Distributor/supplier delivery times
* Accuracy of the project schedule dates
* Machinery will be operational in time
* No other distributor issues

1. **Critical Success Factors**

* Initial budget approval
* The manufacturing facility will meet all requirements
* Properly trained employees
* Ability to develop sauces that meet or exceed the public’s taste
* Sauce branding is competitive and effective
* Ability to extend sales contracts within current vendor/wholesaler relationships
* Success of website revision in accommodating custom sauce orders alongside custom spice orders
* Obtaining necessary ingredients, including obscure ingredients, through environmental changes as they affect the market/suppliers



1. **Roles and Project Stakeholder Roles**

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| **Name** | **Roles** |
| Jon Lukassen | Project Sponsor (Team Member) |
| Benjamin Patton | Project Owner (Team Member) |
| Chris Odden | Project Manager |
| Brylee Despinis | Stakeholder (Team Member) |
| Michael Craft | Team Member |
| Carlos Rodriguez | Steering Committee (Team Member) |
| Kenneth Walker | Steering Committee (Team Member) |