Retail Agreement Business Plan

Pub Name: _____

Applicant(s): _____

Applicant Address: _____

_____

Date Completed: _____

Business Development Manager: _____

Taking on a pub is a serious decision. It is important that you have thought hard about why you want to take such a step and have planned exactly what you will need to do to ensure your venture will be a success. Only then can you judge whether you are likely to be able to achieve the income and rewards that you desire.

ABOUT BUSINESS PLANNING

Marston's also wants to be convinced that you know what to do and why, and that your plans are right for you and the pub in question.

A business plan can help you to:

- Consider all aspects of the business
- Decide the best course of action to take things forward
- Have a clear understanding of the pub and how you can make it work

Please complete each section including as much detail as possible. You can either use this template, or alternatively, write your own business plan. Guidance is also available should you need it from one of our Business Development Managers or a member of our Business opportunities team.

Signed By Applicant(s) _____ Date _____

_____ Date _____

Signed By BDM _____ _____ Date _____

Signed By GM _____ _____ Date _____

Signed By 3rd Party _____Date _____

ABOUT THE RETAIL AGREEMENT

As you will already know, the Phoenix Retail project is a joint venture and a shared risk and therefore does not have the same freedoms for you as those of a traditional tenancy agreement.

CORE VALUES OF THE 'PHOENIX' PROJECT

The pub has been selected to be part of the phoenix project because it fits core criteria identified by your BDM and the development team. The core values of Phoenix are as follows;

Community Pub – This is a community pub which means that your target market is in a tight geography to your front door. Your offer needs to appeal to wide sections of local people. You should aim to be the 'Heart of your Local Community'

Teams – To reinforce the community attraction to your pub, you should link in with local teams. Discuss this with your BDM, but you will be encouraged to start a pub football team, darts, dominoes, poker league etc.

Charity – To become the Heart of your local community, it is important to actively support local issues. One way to do this is to identify a local charity which you will support for a minimum of 12 months. You should then plan fund raising activity at least once every 3 months. This activity will rely on involvement from the local community. Fund raising activity should be publicised in the local press.

Food – This is an key part of your offer and key to the sustainability of your business. Your exact menu will be detailed later in this document, but where offered, food must be available all day every day. You will not be able to alter your menu offering or food s ice times without discussion with your BDM.

Cask Ale – The ultimate aim is to have 2 bitters and at least 1 guest ale on sale. This may take some time to establish, but your BDM will agree the plan with you to build your cask ale reputation. As a target, Cask Ale should represent 50% of your wet sales mix.

Low Cost; High Return – All activity must be agreed with your BDM. Obviously we are not running a multi million pound operation, and therefore, planned activity should yield a high return on minimal cost. As a rough rule of thumb, for every £1 you spend, you should generate an EXTRA £5 in sales on top of current trading levels.

No Apathy – The root cause of the death of so many community pubs is apathy from the management team. You must stay sharp to your marketing, service, ctivity and offer. Your BDM will help to keep you focussed. Apathy will inevitably lead to a ales decline!

ABOUT YOUR EXISTING SKILL BASE

At interview, please be prepared to complete the below checklist; to help identify any further training opportunities which are relevant to you.

Level of experience

	Point System 1	2	3	4	5	
	Little or no knowledge	Minimum knowledge	Average	Capable	Expert	ACTION PLAN (each section)
1 Work in a Bar						
2 Work in a Commerial Kitchen						
3 Work in a Cellar						
4 Ran my own business						
5 Trading Styles						
6 Accountants - req & info						
7 Banks - services & charges						
8 Inland Revenue						
9 VAT						
10 Insurance - essentials						
11 Licensing Law						
12 Responsibilities						
13 Stocktaking						
14 Reg. Food premises						
15 Business Plan						
16 Control your business						
17 Energy Suppliers						
18 Budget & Forecasts						
19 Management Controls						
20 Market Research						
21 SWOT analysis						
22 Health & Safety						
23 Fire Risk Assessment						
24 Book Keeping						
25 Gross Profit						
26 Working with VAT						
27 Calculating GP						
28 Profit & Loss						
29 Fixed / Variable						
30 Cash Flow						
31 Breakeven						
32 Merchandising						
33 Promotions						
34 Social Responsibility						
35 Standards & Service						
36 Unique selling point (USP)						
37 Advertising methods						
38 Menu Planning						
39 Stock Control						
40 Dish Costing						
41 Equipment / Design						
42 Food Safety						
43 Managing Staff						
44 Employment Law						
45 Wages						
46 Disciplinary						
47 NI & PAYE						
48 Customer Service						
49 Leadership						
50 Staff Training						
TOTAL POINT TALLY	**0**	**0**	**0**	**0**	**0**	**0**
	Little or no knowledge	Minimum knowledge	Average	Capable	Expert	

< 150 RAPPID automatic

BDM to complete the above assessment with the prospect ve retailer at time of interview

THE SITE	
Provide a description of the pub, its facilities and trading history. Also talk about the immediate area surrounding the pub, focusing on possible sources of customers • *Are any areas suitable for alternative use or redevelopment?* • *Describe the existing building - shape, facilities & condition* • *Include the exterior and outside areas* • *What is the immediate area like? Residential, businesses, shops, roads, etc.*	

DEMOGRAPHICS	
Describe what sort of people live, work, or visit the area. Mention things such as age, occupation, wealth, housing, etc. This is your chance to show that the people that you intend to attract are around. • *Have you driven or walked around the area and talked to future customers, competitors and local businesses?* • *The people who live nearby - how wealthy or poor are they? Are they old or young? Do they have families - old or young? What sort of houses do they live in? What condition is the housing in? How many people own a car? What do they do as jobs - work in an office, have a skilled trade, manual workers, unemployed? Do students live in the area? Speak to your BDM if you need help obtaining this information* • *Who comes into the area WHY AND WHEN? Shoppers during the day? Office workers? Young people at night?*	

DEVELOPMENTS	
Indicate whether there are developments in the area that may influence trade. • *Ask around, speak to the council, find out what is happening in the area. Look in the local paper for licensing or planning applications* • *Is the area doing well or is it in decline? Are shops opening or closing? Are houses selling? Is new housing being built?* • *What specific future events might impact on trade - good or bad? e.g. the building of a shopping centre or the closure of a factory*	

LOCAL MARKET	
Show an understanding of where people drink, eat and also take part in other leisure activities (cinemas, retail parks). Talk specifically about the competition and why people chose to go to these places. If there is a "circuit" describe it - both for day and night trade. Attach any relevant maps to the Business Plan. • *Have you visited and talked to local competitors?* • *Where are these venues in relation to your pub? Could/does it fit into the circuit?* • *How successful is the competition? Why are they successful - what do they offer customers? Describe the major competitors.* • *Is there anything missing from the circuit that people might look for?*	

LOCAL COMPETITION – THE DETAILS			
Main Competitors	Who are their customers?	What do they offer to attract customers?	What could we offer that they do not?
Venue			
Brand			
Key Price Points:			
Venue			
Brand			
Key Price Points:			
Venue			
Brand			
Key Price Points:			
Venue			
Brand			
Key Price Points:			
Venue			
Brand			
Key Price Points:			
Venue			
Brand			
Key Price Points:			

CUSTOMER BASE			
Existing	am	pm	pm / late
Who are your existing customers? *Why do they use your pub?*			
Potential	am	pm	pm / late
Which customers could you gain from your competitors, *What do you need to do to attract these customers?*			
Target	am	pm	pm / late
Who should your target market be to increase and maximise your trade and profit? 1. *Wet* 2. *Food (if applicable)* 3. *Sport (if applicable)*			

What is the vision for this pub? § What is my USP? § what opportunity is there in the area? § What must I do to attract these people by changing the look of the pub, the food offer, etc?	

SEVEN DAY ACTIVITY – SEVEN REASONS TO VISIT

One of the core values in the Phoenix project is the s en day activity plan. This will depend greatly on your immediate geography and the activities already in place in your competitors' outlet.

You must also consider your teams and any existing leagues which you may want to become part of.

Finally, remember the 'Low Cost; High Return' concept. Make sure you chose activity which is effective in creating a reason to visit, but efficient compared to the extra income it generates.

Detail your Seven Day activity plan below.

Day of the Week	Activity	Method of Advertising
Monday		
Tuesday		
Wednesday		
Thursday		
Friday		
Saturday		
Sunday		

‘RED LETTER’ DAYS – MAXIMISING SALES OPPORTUNITIES

You seven day activity plan should form the foundation of your trade.

In addition to this, we have Bank Holiday weekends, Christmas, Easter, the School Holidays, and many other national dates which can be used to drive sales.

However, periodically other opportunities arise, from which extra income can be derived. The challenge is to ensure that you have at least three ‘red-letter’ days (including the opportunities listed above) in any given calendar month. Please pick one of the following and demonstrate how you would run an event in your pub to drive turnover:

- ‘National Left-Handers’ day
- Family fun day
- Outdoor beer festival
- Halloween

As an extra challenge – assume you have to run this day based without any additional funding from Marston’s. All activity will need to be self-funded. You may choose to tie an event into a charitable cause to help with this.

Chosen Activity	
Who will be involved?	
When will it run?	
How *(and when)* will you communicate the event?	
What activities will feature as part of the event?	
How much will the event cost? How will you raise this money?	
How much extra income do you expect the event to provide?	

MONTHLY PLANNING

If your application for this site is successful, you will be expected to maintain a sales ctivity plan which runs 3 months in advance. Your BDM will help you with this process, and you will be given the tools necessary to maximise any sales opportunities which present themselves.

Please plan sales activities for a typical calendar month of trading, to help drive turnover. This may include the following types of activities:

- Weekday activities (from the previous section)
- 'Red Letter' events (as per the previous section)
- Key sporting events – e.g. Rugby, World Cup, etc
- Race nights / theme nights / etc

CALENDAR MONTH: _____

Mon	Tue	Wed	Thu	Fri	Sat	Sun

FORECAST INCOME AND YOUR 'PERSONAL BREAK-EVEN POINT'

It can be difficult to put an exact forecast on how the business will trade once it is up and running under a retail agreement. However, it is crucial that you have targets in mind, which both you and your team can strive to surpass.

In addition to this, you will have a personal 'break-even point (BEP)'. This is the point at which you are able to meet your own financial obligations and have enough to pay for staff to run the business. Giving consideration to your personal outgoings and the style of business which you seek to operate, please provide your personal BEP below.

For example:

With personal outgoings of £100/week and required staf s of £400/week, the business would need to take **£2,937.50 a week** for you to break even.

This is calculated by: £400 + £100 = £500 required earnings
£500 / 0.2 = 00 turnover (net of VAT) *where your share is 20%*
£2500 * 1.175 = £2937.50 *note – VAT at 17.5%*

YOUR PERSONAL BEP

Your Personal weekly outgoings _____ ____

Your minimum weekly staff costs _____

Other weekly Costs (please detail) _____

Total minimum weekly outgoings _____

Total _____ /0.2 (share) = _____ x 1.175 (VAT) =

£_____ This is the gross weekly turnover required to Break even

You will be seeking to exceed your personal BEP. In the spaces below, please show your aspirations for trade levels once the business is established:

Please specify whether these include or do not include VAT: Includes VAT / Does not include VAT

FORECAST WEEKLY TAKE: £_____

Mon	**Tue**	**Wed**	**Thu**	**Fri**	**Sat**	**Sun**
11am-7pm	11am-7pm	11am-7pm	11am-7pm	11am-7pm	11am-7pm	11am-7pm
£	£	£	£	£	£	£
7pm – close	7pm – close	7pm – close	7pm – close	7pm – close	7pm – close	7pm – close
£	£	£	£	£	£	£

WORST CASE SCENARIO
Please detail how you will cover your costs if the site does not hit your personal break even.
Please detail how long this would be sustainable for you.

SWOT ANALYSIS - SUMMARISE YOUR THOUGHTS ON THE PUB:

Strengths	Weaknesses
Opportunities	**Threats**

ADDITIONAL INFORMATION

The following area allows you to include any further information you feel may be appropriate to include in your business plan.

By completing this Business Plan, Marston's Pub Company does not commit itself to accept your application and, for the avoidance of doubt, it does not constitute any offer, expressed or implied, of any appointment, lease, tenancy or business opportunity.