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**ABSTRACT**

This module on owning and operating a specialty food store is one of 36 in a series on entrepreneurship. The introduction tells the student what topics will be covered and suggests other modules to read in related occupations. Each unit includes student goals, a case study, and a discussion of the unit subject matter. Learning activities are divided into individual activities, discussion questions, and a group activity. Units (and subject matter) in this module are: planning your business (products, customers, and competition; personal qualities and skills; competition; legal requirements); choosing a location (how to decide where to locate; business location; renting and leasing a store site); getting money to start (preparing a business plan; financing; business loans; statement of financial need); being in charge (building an effective staff; selecting job applicants; keeping customers and staff happy; employee benefits); setting prices (turnover; pricing; things that make prices go down and up); advertising and selling (why advertise; ways to advertise; qualities of a good ad); keeping financial records (cash sales; credit sales; credit cards; daily cash sheet); buying and keeping track of supplies (inventory selection; supplier terms; store-supplier relations; inventory control); and keeping your business successful (keeping track of profits; profit/loss statements; profit/loss ratios; improving profits; expanding). A summary and quiz complete the document. (A teacher's guide is available for this module.) (CT)

**etc**

Entrepreneurship Training Components

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**GETTING DOWN TO BUSINESS:**

**Specialty Food Store**

**Module 8**

U.S. DEPARTMENT OF EDUCATION  
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# GETTING DOWN TO BUSINESS:

## Specialty Food Store

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## INTRODUCTION

How are you going to use your job skills after you finish school?

Have you ever thought about starting your own specialty food store?

This module describes people who have started and managed specialty food stores. It gives you an idea of what they do and some of the special skills they need.

You will read about

- planning a specialty food store
- choosing a location
- getting money to start
- being in charge
- buying and keeping track of supplies
- setting prices
- advertising and selling
- keeping financial records
- keeping your business successful

You will also have a chance to practice some of the things that specialty food store owners do.

Then you will have a better idea of whether a career as a specialty food store owner is for you.

Before you study this module, you might want to read Module 1, Getting Down to Business: What's It All About?

When you finish this module, you might also want to read Module 22, Getting Down to Business: Restaurant Owner.

This module is related to another business in food services.

## UNIT 1

### Planning a Specialty Food Store

Goal: To help you plan your specialty food store.

Objective 1: Describe the products, customers, and competition of a specialty food store.

Objective 2: List five helpful personal qualities of a specialty food store owner.

Objective 3: List three ways to help your business compete successfully.

Objective 4: List the legal requirements for opening and running a specialty food store.



## STANLEY PLANS

Stanley Price came from a family of bagel bakers. The secret recipe of the Price family bagels had been passed down for three generations. Three generations of Prices had owned and operated bagel bakeries in New York, and their bagels were known as the best in the city. And now it was Stanley's turn to take part in the family business.

Or at least that was the way Stanley felt about it. Bagels were not just a round bread-roll, they were a way of life! And a good bagel was hard to find. If Stanley had stayed in New York, he would have simply joined the family business. But Stanley wanted to leave; he wanted to explore new worlds. So he headed west--to California.

When Stanley arrived in California, he was amazed. He couldn't find a single bagel bakery. People at least knew what bagels were, but you just couldn't find one! And flying them in from New York was too expensive. Stanley decided right then to open his own bagel bakery.

Bagel bakers who have tried and failed generally do not know that a critical factor in making good bagels is the water; what you need is well water that does not have chemicals added. Stanley hunted up and down the California coast until he found a good water supply--in Palo Alto, California. And it was there he decided to open his bakery.

## Planning a Bagel Bakery

Stanley Price wanted to start his own bagel bakery; anyone who wants to start other kinds of specialty food stores will have to plan and deal with similar problems. As you work through this module, you will see how Stanley's bagel bakery develops. In this unit you will learn about four things involved in planning to open a specialty food store:

- deciding what products, customers, competition, and problems your store might have;
- deciding what personal qualities and skills you will need;
- knowing how to compete well; and
- learning about the legal requirements for running the business.

### Products, Customers, and Competition.

Products. There are many kinds of bakeries and specialty food stores. For example, there are bakeries that specialize in cakes, pies, or cookies and stores that specialize in cheeses, deli-items, and gourmet foods. Bagels are a kind of bread that originated among Jewish communities but have become increasingly popular throughout the United States. Bagels with cream cheese and lox have become a common sight on Sunday brunch menus. But a bakery that specializes in bagels cannot succeed unless the customers know what a bagel is and how delicious they are. As an owner of a specialty food store your job will be educating the customers about your products and line of goods and then providing them with what they want.

Customers. Your customers will be anyone who likes the kinds of food and products your store carries. Once you have decided what type of store to open, you must advertise and bring your customers in. A small specialty food store cannot serve everyone. Your success will depend on

choosing a particular type of customer and then selling products they prefer.

Competition. According to Stanley: "I have no competition because I make and sell the best bagels in the area." Even if this is true, there usually is some kind of competition to consider. When you open a specialty food store, you will be competing with other stores that carry the same products (even though they may not be as good as yours). There may be other bakery stores and restaurants in the area. Supermarket and grocery chains may carry the same or similar foods--and at a discount price since they deal in larger quantities. In the specialty food store business, a unique product (like the bagel) or a distinctive image will give you a "competitive edge." It helps to have a "catchy" name that will help people remember your store. You will learn more about store image later.

#### Personal Qualities and Skills

You don't have to be an expert in the line of business that you are thinking of going into, but you do have to be willing to learn. And there are basic qualities which you must have--or be willing to develop--if you are going to start any business.

The most important quality is the ability to organize your mind and your life. In running a small business like a specialty food store, you will deal with many different people, keep schedules, meet deadlines, organize paperwork, pay bills, etc. These are part of every business.

It is also important to be able to read carefully. You will have to keep many written records, and you will have to fill out a lot of government forms. As a business owner, you can't be afraid of numbers either. The math involved is mostly simple arithmetic--addition, subtraction, and some multiplication--but you must be good at it for your business to succeed.

You must also:

- like people and enjoy working with them;
- be reasonable and nonjudgmental in dealing with people;
- have patience with your customers and staff, and with the problems of waiting for a small business to grow; and
- be willing to work very hard.

All these qualities are important for any small business owner. A knowledge of nutrition; food storage, and preparation methods is helpful for a specialty food store owner too. But the real secret to success is building personal relations with customers. Customers appreciate a friendly, low-key approach and an owner who knows them by name. These are the customers who will come back to your store again and again.

#### How to Compete Well

There are several things you can do to compete well. We will mention them now, and you will learn more about them as you work through the module.

1. Do research before starting the business to help you decide where to locate and which specialty items you want to offer.
2. Try to be unique. Offer special products and items that other stores do not offer. Develop a special store image.
3. Keep the quality of your products and your service high.
4. Establish an image that is professional, yet friendly. When you are small, you can offer more personalized service than the larger stores.

#### Legal Requirements

Legal requirements vary according to the types of products you sell and where you are located. To find out what licenses you will need, contact the Department of Consumer Affairs, the Small Business Administra-

tion, or a trade association of wholesale and retail grocers. Here is a list of permits and licenses that may be required:

- a seller permit (also called a sales tax permit);
- an employer identification (EI) number from the Internal Revenue Service (IRS);
- a business license from the city hall or the county government center; and
- a fictitious trade name registered with the city or county government if the name of your store is not your name.

Specialty food stores, and particularly those that make their products (like bagels), will have to conform to local zoning laws, building codes, health requirements, and fire and police regulations. If you pay salaries you must meet requirements for payroll deductions and have necessary employee insurance such as Worker's Compensation and liability coverage. You will need fire insurance, crime coverage, automobile insurance (for company-owned cars), and business interruption insurance.

### Summary

Specialty food stores are risky businesses to get into. Make sure you have the right personality and know enough about the business before you get into it. Your competition may be tough. You can give yourself a "competitive edge" by developing a unique product line and store image, by offering special services, and by trying to meet the needs of your customers. There are many legal requirements you will have to meet before you can open a store. But a specialty food store that offers quality and personalized service can succeed, if you have the patience and energy for the work.

## Learning Activities

### Individual Activities

1. Look up a certain type of specialty food store (bakery, delicatessen, cheese shop, etc.) in the Yellow Pages of your phone book.
  - a. Count the number of stores listed.
  - b. Decide what type of store you would like to open.
  - c. Which stores would probably be your competition?
  - d. Call one or more and ask about the special services or product lines they sell.
2. Think up a "catchy name" for the store you would like to open. Why would this help your business?
3. Why is it important to identify your customers and their needs before you open a specialty food store?
4. What types of experiences or additional education would be helpful to you in starting your own specialty food store?

### Discussion Questions

1. What are some ideas for making your specialty food store unique? What special items or services might you offer?
2. Do you think Stanley Price will be successful in running his own bagel bakery? Why?

3. How do you think the growth of large supermarket chains might affect the success of a specialty food store?

### Group Activity

Locate an owner/manager of a specialty food store or bakery near you. Choose a small business rather than a large chain-store. Invite that person to visit your class to share her or his experiences in opening and running their store. (Use a personal contact in the community, if possible; otherwise, use the Yellow Pages.)

Develop a list of questions to ask the visitor, such as:

1. What is your background?
2. Why did you choose to open your store?
3. How much time did you spend planning your business before you opened? What did you do?
4. What kinds of experience or personal qualities have been the most valuable to you?
5. How did you decide on your location?
6. What products and services do you provide?
7. How much money did it take to get started? Where did you get it?
8. Would you do it again?

## UNIT 2

### Choosing a Location

Goal: To help you choose the right location for your business.

Objective 1: List two things to think about in deciding where to locate your business.

Objective 2: Pick the best location for a specialty food store.





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### STANLEY PICKS A LOCATION

Stanley chose to locate his Bagel Broker store in Palo Alto primarily because the water in Palo Alto would enable him to produce high-quality bagels. However, many other factors also went into this decision.

Palo Alto has a large Jewish community, so Stanley knew that he would have an immediate and enthusiastic market for his bagels. There is a large university in Palo Alto and a number of smaller colleges and schools in the area. Bagels are very popular and well known on the East Coast, and many of these students come from the East Coast.

Stanley chose a store site on a street not far from the university and within walking distance from the downtown area. In addition, two major roads through town ran close to the store, and the bus and train stations were around the corner. The area was zoned for business.

But to make sure that this location was the right choice, Stanley first did his own traffic analysis. He went to the store and sat outside the entrance for three days, and just counted. He counted the people who walked by. He counted the number of cars that drove by and the buses that stopped there. He counted the businesses in the area and the people who worked in the businesses within five blocks of the store. He also counted the number of groceries, bakeries, and restaurants in the area (his competition) and made notes of the types of foods and services they offered.

After he did all these things, Stanley decided the location was a good place to open his store and signed the lease with the landlord.

## Choosing a Location

Once you have decided to open a specialty food store, you must decide where to locate and what services and products to offer.

### Things to Think About in Deciding Where to Locate

Before you choose a location for your store, you will need to do some homework. First, think about the area where you will open your store. Pick the area that gives you the best chance for success. Study the area and consider the following:

- the neighborhood's potential for growth;
- the characteristics of the residents (incomes, ages, interests, and occupations);
- the number of similar stores in the area; and
- the type of neighborhood--residential, commercial, industrial, rural or urban.

Perhaps you're thinking about moving out of the city to set up a small business in the country. A large percentage of these rural shops fail. Rural areas often do not have enough people who want and can afford specialty items.

### Business Location

Your choice of location will be one of the most important decisions you make, so consider it carefully. Many people would like to locate in their own neighborhood, but is it a good business area? How many people shop in your neighborhood? Is there enough parking? Are there already similar businesses in the area?

Look for a location where a "service gap" exists. For example, look for an area with many businesses and offices and a shortage of restaurants or specialty stores.

Before you rent a storefront, find out why it's vacant. Talk to nearby shopkeepers and learn as much as you can about the area and its shoppers. A nearby supermarket or specialty store can be either an advantage or disadvantage for you; people who go to the supermarket are thinking about food. They may come to your shop for special items, often they've bought their everyday items at the supermarket. But if the supermarket or specialty store carries the same items and products you are selling, then you may not have any business.

Be careful if there are several empty buildings for rent in the area. Besides being a sign of a poor business area, empty buildings make poor neighbors--shoppers tend to stay away from them. Spend a full day or two studying the area. A heavy flow of walking traffic passing by or close to the door is a sign of a good place to locate.

Look the store over carefully. Is the building right for you? Is it large enough, or is it perhaps too large? Will it need a lot of remodeling? Can you afford it? What kind of rental agreement will you have to sign?

Be sure to have the building examined by the local building inspector and, if you plan to prepare or serve food on the premises, by the health inspector. You don't want to learn after you've moved in that you must spend \$700 to bring the plumbing and toilet up to code.

In choosing your location, be alert for these trouble signs. Avoid:

- areas with a large number of existing (and successful) competitors;
- sites where the insurance rates will be very high--such as next to restaurants and old buildings; and
- sites that are difficult for people to get to.

## Where Can You Get the Facts?

Like Stanley, you can do your own "informal" market research. A professional real estate agent can also help you choose a location for your specialty foods store. Community banks, newspapers, census information, Chamber of Commerce and utility company reports, and city and county planning councils all provide information on the area and the specific site you choose for your store. This advance work will help you choose the best site to locate your store.

## Renting and Leasing a Store Site

Rent is a major expense for specialty food stores. When you start looking at store sites, you should consider the amount of rent you can afford to pay.

Rent may be very high in a downtown area or an established shopping center. Shopping centers sometimes add area maintenance fees to the monthly rent. An out-of-the-way location may be less expensive, but will your customers be able to get to your store? Will you have to pay more for advertising in order to make your store known?

Rent is normally paid in one of two ways:

- flat rental rate, which calls for a set monthly amount; or
- percentage of sales agreement, in which you agree to pay a base amount and/or a percentage of the monthly sales.

The percentage of sales agreement is often used by shopping centers. Some landlords will also include an "escalator clause" in their rent agreements. This clause allows the landlord to raise the rent over a period of time.

Rental agreements are usually very complex. For example, a rental agreement from a shopping center may run from 40 to 60 pages. It would

be wise to have your lawyer and an insurance agent review the agreement before you sign.

### Summary

Once you have decided to open a specialty food store, you must analyze the need for your services and products, and the existing competition, and choose a suitable general location. You should be centrally and conveniently located so your customers can visit you easily. You must also consider the amount of rent you can afford to pay before you make a final decision on where to locate your store.

## Learning Activities

### Individual Activities

1. List five sources of information (formal and informal) used in picking a business location.
  - a.
  - b.
  - c.
  - d.
  - e.
  
2. When you choose a location for your specialty food store, you should consider:
  - a. parking.
  - b. where your target customers live.
  - c. the neighboring businesses.
  - d. the rent.
  - e. all of the above.
  
3. Put a check by True or False for the following situations. Then give a reason for your choice.
  - a. Jim Warren has decided to locate his store in a central shopping center in an urban area. This decision should allow him to decrease his advertising expenses.

\_\_\_\_\_ True \_\_\_\_\_ False

Why? \_\_\_\_\_

b. Susan Elder is trying to find a good area for the site of her new store. Susan has given much effort to analyzing the industry, population, and competition in the location. She has not spent much time analyzing the parking and traffic patterns. Susan has used her time well in selecting a location for her store.

\_\_\_\_\_ True      \_\_\_\_\_ False

Why? \_\_\_\_\_

4. You want to take a traffic count to determine the suitability of a site where you plan to open a specialty food store. An average of 100 cars pass the site every hour. An average of 75 people walk by the site every hour. Explain what further information you would like to get about the site before you make your final decision.

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5. You plan to open an exclusive gourmet cheese store in town. There are three buildings that would be suitable for your operation.

- Site 1 is in a central shopping district. There are already two cheese stores within the block. Rent would be high.
- Site 2 is on the fringes of a central shopping district. Rent is lowest of all sites. The building is two city blocks away from the central shopping district.
- Site 3 is in an older shopping center. Some of the original businesses in this center are moving into a newly developed shopping mall. Rent is highest here.



Which site would you select to open your store? Give your reasons why.

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### Discussion Questions

1. Why is it important to consider the area as well as the site in deciding where to locate your specialty food store?
2. What is the benefit of conducting a traffic count before you sign the rental agreement on a store?
3. Where in your city or community would you choose to locate a specialty food store? Why?

### Group Activity

Make a checklist that you could use to evaluate a prospective site for a specialty food store. You may consider including things like:

- location of the storefront within the block;
- businesses in the area;
- condition of the building;
- conditions of surrounding buildings and street; and
- availability of parking and/or public transportation.

Try to make your list as complete as possible. When you have finished, arrange the list in order of most important to least important concern. There is no one correct answer.

## UNIT 3

### Getting Money to Start

Goal: To help you plan how to get money to start your specialty food store.

Objective 1: Write a description and business plan for your store.

Objective 2: Fill out a form showing how much money you need to borrow to start this business.



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### STANLEY APPLIES FOR A LOAN

Stanley listed the money he thought he would need to open his bagel bakery. His list looked like this:

Supplies	\$10,000
Security Deposit and Rent (first and last month)	3,000
License and Tax Deposits	400
Counters and Display Units	400
Insurance	800
Advertising and Promotion	1,500
Utilities and Phone Deposit	2,000
Cash Register	300
Machinery (New):	
Dough Mixing Machine	40,000
Ovens	20,000
Kettles (to boil the bagels)	5,000
Refrigeration Units	18,000
Racks and Miscellaneous	3,000
Salaries (3 months, 3 employees)	7,200
TOTAL	<u>\$111,600</u>

He had about \$20,000 of his own, and his parents would lend him \$20,000. He could buy the machines used, at half-price, and save \$43,000. In all, Stanley needed \$68,600 to open his business. He had \$40,000, and he needed to borrow an additional \$28,600. His next step was to apply for a loan and write out a business plan. The first draft of his business plan looked like this:

"I plan to open a bagel bakery in downtown Palo Alto. The name will be Bagel Brokers. There are no other bagel bakeries in the area, and Palo Alto's water supply will contribute to the production of high-quality bagels using a recipe that has been successful in New York. I have arranged to buy the necessary equipment. My experience and the past history of my family will contribute to the success of this bakery."

## Getting Money to Start

All new businesses need money to get started. Your own savings and loans from family or friends will likely be the main source for your new business. However, you may also have to borrow some of your "starting capital" from a bank, loan office, or government agency. In this unit you will learn something about how to apply for money to start a specialty food store.

Lenders will want to know a lot about you and your business plan before they will lend you money. You will have to show that you are a good business risk. You will be asked to provide the following information:

- personal background information (a résumé);
- a description of your business (the business plan); and
- a statement of financial need.

## Preparing a Business Plan

When you ask for a loan, the lender will want to know what kind of store you want to start and how you plan to run it. The lender will be looking at how carefully you have planned your business. This is a time for you to think carefully about what you want to do.

Your business plan should be clearly and simply written. You should include the following information:

1. The kind (and name) of store you want to open.
2. The items you will sell and the services you will provide.
3. The area and site of your business, and why you chose it.
4. The target customers (the market) you want to attract.
5. Your competition in the area.

6. Your management plan and strategy for success.
7. The number and type of employees you plan to hire.

### Financing: How Much Do You Need?

How much you will need depends on the type of business you are starting and the type of person you are. If you are willing to work hard, to make a few sacrifices, to live on canned beans for a while, you can start a successful business for relatively little money.

If you start a production business--like a bagel bakery--you will need tools and machines (dough-making and bagel-rolling machines, ovens, refrigerators, etc.) as well as the raw materials (flour, salt, etc.) to make your product. The machines may cost a lot, but on the other hand, you don't have to buy a large amount of supplies at one time. And if you hunt around, you can always find good deals on your materials.

A retail store like a cheese or a cookware store--one that sells products that are already produced--requires a good stock of inventory. This may cost at least \$10,000.

### Stalking the Elusive Business Loan

Loans are hard to get. Banks are less willing than ever to take chances on new and untested businesses, and on new and untested business owners.

But the doors are not completely closed. Banks still make business loans, and a bank might just make one to you. Banks will generally lend up to 50% of the money you need to start your business if they can be convinced that your business has a good chance to succeed, that you are competent and reliable, and that you have a good plan for running your business.

## Statement of Financial Need

To open a specialty food store you may need to put down a fairly large amount of money. This money will cover start-up costs, machinery, remodeling fees, beginning inventory, and three months' operating and personal costs.

Stanley knew he did not have enough money of his own to buy the machines and equipment he needed to open his bagel store. He had to apply for a bank loan to get the right machinery, equipment, and supplies.

Stanley listed the items and equipment he needed to start his store. His largest expense was for his machinery and equipment. He needed the following basic items for his store:

- free-standing baking racks;
- counter and display case;
- trays and bins;
- cash register;
- refrigeration units;
- dough mixers;
- ovens;
- kettle (to boil the bagels); and
- bagel machine (to form the bagels).

These were the items Stanley needed to produce the bagels. But what about the ingredients? Stanley also needed to buy flour, malt, yeast, and malt syrup.

You may consider either buying or renting equipment and furniture for your store. Renting equipment may help keep start-up costs low, but renting may be more expensive in the long run.

Another start-up cost is the money you will need to pay your salespeople. Stanley is planning to pay his employees a low salary--about \$800 a month. He is not planning to take any salary for himself until the store starts making a profit.

An initial inventory of \$10,000 may be reasonable for a specialty store. If you expect many customers, you may have to restock your inventory often. If you are just starting out, however, it may take a while to attract customers. And your sales may be slow--you may not need to restock much at first. We will talk more about inventory and stock turnover in later units.

Stanley's list of figures is actually very simple. You will have to do more planning when you start to figure out how much money you will need to open your specialty food store. Here is an example of a financial statement form.

STATEMENT OF FINANCIAL NEED	
<u>Starting Expenses</u>	<u>Money on Hand</u>
Salaries _____	Cash on Hand _____
Building and Property _____	Gifts or Personal Loans _____
Repairs and Renovations _____	Investment by Others _____
Equipment and Furniture _____	TOTAL _____
Inventory or Supplies _____	
Advertising _____	
Other _____	
	TOTAL STARTING EXPENSES _____
	TOTAL MONEY ON HAND _____
	TOTAL LOAN MONEY NEEDED _____

The statement forms you will use may be different. The items listed may not include all your needs. For example, Stanley has planned for insurance expenses; money he will need for phone and utility deposits, and the cost of supplies (flour, salt, and malt). Stanley will list these costs separately on his statement of financial need.



## Summary

When you apply for a loan to start your specialty food store, you will need to provide a business plan and statement of financial need. A business plan gives you a path to follow. A business plan will give your bankers the details of your business. The banks will need to understand your situation if they are to lend you money. As a general rule, banks like you to provide about half the start-up money. The exact amount of money you will need to start a specialty food store will depend on the cash you have available, the size of the store, the store's equipment needs, operating expenses, and the costs of your inventory. This figure will be different for different types of specialty food stores.

## Learning Activities

### Individual Activities

1. Review Stanley's case study. List two other items Stanley could add to his business description. Describe how these items could help his chances of getting a loan.
  
2. Fill out a statement of financial need for Stanley. Include any special categories you think are important. (For example, the ovens are electric; Stanley may have underestimated the amount he will have to pay for his electric bills.) What are some starting expenses Stanley may have overlooked?

STATEMENT OF FINANCIAL NEED			
	<u>Starting Expenses</u>		<u>Money on Hand</u>
Salaries	_____		
Building and Property	_____		
Repairs and Renovations	_____	Cash on Hand	_____
Equipment and Furniture	_____	Gifts or Personal Loans	_____
Inventory or Supplies	_____	Investment by Others	_____
Advertising	_____	TOTAL	_____
Other	_____		
		TOTAL STARTING EXPENSES	_____
		TOTAL MONEY ON HAND	_____
		TOTAL LOAN MONEY NEEDED	_____

3. What are three documents that a person seeking a loan should include in an application to a bank?

4. Which parts of your business description do you feel should get the most attention: the products or services you provide; the business location; or the potential competition and how you plan to meet it? Explain your answer.

#### Discussion Questions

1. How do you think a lender would react to Stanley's business plan?
2. In addition to his business plan and statement of financial need, what other kinds of information would a lender want to know before giving Stanley a loan?
3. What are the expenses involved in operating a specialty food store? In your opinion, what is the most important expense? How will this affect the success of your store?

#### Group Activity

In groups of three to five students, write a more detailed business description for Stanley's bagel bakery. Make your description at least 500 words long.

## UNIT 4

### Being in Charge

Goal: To help you select and manage the people with whom you work.

Objective 1: Given the general requirements of a specialty food store, decide how to divide work among the employees.

Objective 2: Describe the basic principles of successful sales techniques.

Objective 3: Select from a list of job applicants the best person for your specialty food store.

### STANLEY'S STAFF

"There are about three people besides myself who work here at the Bagel Broker," says Stanley. "Two people are full-time employees, and the third is a high school kid who comes in the afternoons to help out with counter sales. We are open to sell bagels from 7:30 in the morning until 5:00. But we start making the bagels and delivering them to the local groceries at 5:00 in the morning. And we usually don't finish up here until 11:00 at night.

"I manage the store. I'm here just about all the time, making sure that things get done and that the business is running smoothly. I also train all the new employees. They get training in everything--from mixing the batter, to running the machines, to selling the bagels over the counter. Everyone is taught all parts of the business, and they may end up doing a number of jobs. Why? Because standing at a machine and doing one job is boring. And when you're bored, you get careless. Having people do different jobs is a way of keeping enthusiasm high.

"The staff decide among themselves who is going to do what jobs. If there's a problem, then I'll step in. We work in two shifts and people clock in and clock out. I pay by the hour.

"I will start a new employee at minimum wage. There are three performance reviews every year, and I give raises based on the quality of work. I don't have a large turnover of staff because we're a pretty tight working group--and jobs are hard to find."

## Being in Charge

Owning and running a specialty food store involves many responsibilities, including hiring and being in charge of staff. In this unit you will learn about:

- your responsibilities as a boss in managing and supervising your employees;
- ways of recruiting and hiring employees; and
- the basics of staff management.

## Building an Effective Staff

If you manage your employees well, they can help build your business by:

- selling skillfully to your customers;
- doing the work efficiently and on time; and
- providing products and services that are of the highest quality.

## Selecting Job Applicants

In hiring new employees, you will have to screen applicants carefully. You will want to hire responsible and reliable people. The image and reputation of your store depends on your doing this job well.

When you screen people for a job, have them

- fill out a detailed job application;
- come in for a personal interview; and
- give you a list of personal references.

First, make a list of the qualities and attitudes you are looking for in your employees. Hiring decisions begin with a detailed description of the job to be filled. Make sure the applicant gets a copy of this job description--it tells what is expected.

You may want to use part-time help to keep your costs down. If you are aware of customer shopping patterns, you can schedule your employees effectively. More people may be needed at certain times, such as during lunch hours, holidays, and sales. However, there may be a lot of turnover among part-time help. Fast turnover may harm good personal relations with customers.

Once you have decided what you want in an employee, talk to the applicants--make an effort to find out what they are really like. Remember, the job they are expected to do involves dealing with people in situations where first impressions are critical. Are they polite and well groomed? Are they able to respond to customers in a helpful and cooperative way? Can they follow instructions and take responsibility for their work?

Where will you find these people? Many specialty food stores depend on walk-ins or referrals when hiring people. Other sources are the classified ad section of your newspaper, employment agencies, or placement centers at schools.

### Keeping Customers and Staff Happy

A large supermarket or chain store may offer customers a wider selection of products or may sell the same items at a lower price. However, your store can offer customers something unique--personal service and attention. Personalized service can help you outshine your competition and attract a following. Shoppers dislike the impersonal atmosphere in most big stores. You may want to create a casual, intimate store environment to keep your customers happy.

Developing a friendly atmosphere requires sympathetic and interested employees. Encourage your employees to give shoppers good service and expert shopping advice.

Regular staff meetings to discuss problems, new merchandise, staff responsibilities, working hours, and so on are helpful in keeping your employees well informed and enthusiastic. Also, if you hire an inexperienced employee, you will need to provide training--in sales, operating the machines, bookkeeping tasks, or whatever responsibilities your employee will have.

### Employee Benefits

Employee salaries will be a large expense in operating your specialty food store. To attract top-notch help, the salary you offer must be competitive or slightly better than similar stores in your area. Employees should also be offered some kind of health insurance and retirement plan. Let your employees know you are concerned about their job satisfaction. Some stores give their employees discounts on items they buy there for themselves.

### Store Policies

Give your staff enough training and instruction to allow them to carry out their jobs. In addition, give them written information on your store policies so that everyone will know what you expect of them. Include such things as employment requirements (health and insurance coverage), work assignments and how they are made, dress code, fringe benefits, working hours, and overtime compensation. Then, when everyone knows the "rules and regulations," follow them in a businesslike way.



## Summary

Building and managing an effective sales staff can help your specialty store grow and profit. Screening and interviewing job applicants, checking their references, providing training when necessary, and defining your store policies are basic to the success of your store. Keeping the people you hire and the customers you serve happy involves establishing good relations and contributes to the positive reputation of your store.

## Learning Activities

### Individual Activities

1. The following statements are true or false. In the blank before each statement, put T if the statement is true and F if it is false.  
 a. The store owner delegates responsibilities to the employees and gets what is left over.  
 b. Job candidates need not fill out applications for jobs in small stores.  
 c. Many store owners give their employees discounts on goods they buy in the store.
2. List three qualities that could show up in a personal interview (but not on an application form) that might keep you from hiring someone.
3. When should a store owner consider hiring part-time help?  
 a. When there are no other reliable applicants for the job  
 b. To help out in the store at "peak" times  
 c. To do all the small and not-so-important jobs.
4. List at least three ways an effective staff can contribute to the success of your specialty food store.

### Discussion Questions

1. Many store owners would prefer to have their employees "specialize" in a particular area. What are the advantages of this type of specialization? The disadvantages? Why has Stanley decided to provide training in all aspects of the bagel business?

2. You own a gourmet food and cookware store. You have just interviewed a job applicant. Your impression is that he is very well qualified for the job. However, one of his references tells you that he is not very reliable--he often comes in late and frequently calls in sick. What should you do?
  
3. Why is it important to write a job description for an employee's job? Could doing this prevent any problems later?

### Group Activity

Selma Dewitt has applied for a sales position at the Coffee, Tea, and Spice House. Her application shows that she has four years of work and sales experience, and her references are good. However, she has been unemployed for the past year because of "various health problems." Have two students role play the store owner interviewing Selma.

In small groups discuss the performance you have just watched. What could the store owner have done differently? Was there any more information that he or she should have requested? What could Selma have done differently?

After you have completed this part of the exercise, develop a list of guidelines for store owners to follow when interviewing job applicants based on your discussions.

## UNIT 5

### Buying and Keeping Track of Supplies

Goal: To help you plan your inventory and develop an inventory control system for your specialty food store.

Objective 1: Select the best supplier for your specialty food store.

Objective 2: Describe the basic steps in establishing an inventory control system.

## INVENTORY CONTROL

Stanley describes how he manages his inventory: "I keep track of all our supplies in my head. I count our inventory each month so I have an idea of how much I have in stock. Then I fill out monthly purchase orders for all the basics. I hate paperwork, and that's why I try to keep on top of things. But it's not a good system, and I wouldn't recommend it. It's the system I'm used to, but I'm beginning to think maybe I should change it.

"Keeping inventory in the bagel business is easy. There are only a few ingredients, and you don't have to worry about spoilage. We have only a few suppliers, but you can be sure they are the best. We also have back-up suppliers, just in case the first ones can't deliver.

"We also sell foods that go well with bagels. We probably sell about 1,200 pounds of whipped cream cheese each week. The cream cheese is flown in from Wisconsin; there are really good cream cheese makers there, and they give us the best terms and prices. We used to buy lox (smoked salmon) from a place in New York for \$18.00 a pound; we would air freight it in each week. Then we found a group in San Francisco who could sell it to us for \$12.00 a pound. You can guess whom we're buying our smoked salmon from now.

"Counting inventory is also a way of checking on theft. I certainly don't mind someone taking a couple of bagels every once in a while. But over a month that can start adding up--especially when they're also walking off with cream cheese, butter, hot dogs, and so on. By knowing what should be in stock, and by noting what is missing, I know how reliable my employees are--and who should be fired."

## Buying and Keeping Track of Supplies

Careful selection of the best goods from reliable suppliers is a key concern for specialty food store owners. Some may deal only with specific ingredients--yeast, flour, or malt. Some suppliers may specialize in one whole line of items, like dairy products. Other suppliers handle the full line of merchandise your store will carry--all the cookware you want to stock, for instance. Your choice of supplier(s) will depend on the merchandise, products, and services you plan to emphasize in your store, the quality of inventory you want to maintain, and the extra services the supplier offers. In this unit you will learn some of the basic steps of inventory selection as well as how to manage and control your inventory.

### Inventory Selection

Here are some basic points to keep in mind when buying merchandise or ingredients for your specialty food store.

- Buy what you know will sell in your store. Each specialty food store sells to different customers with different needs. What will sell in one store may not sell in another.
- Include a variety of items on your shelves. Store owners know that customers can get tired of the "same old stuff." To fight this boredom and to add a little variety to your store, add different or unusual merchandise.
- Buy what you like, but keep your customers in mind. A specialty food store owner may be tempted to buy the items and food he or she likes. But the customers' tastes must come first.
- Be flexible. You will have to keep an open mind about your store's inventory. When you buy supplies, you might see an item you haven't noticed before that would appeal to your customers.

- Don't overbuy. Sometimes suppliers have sales on certain merchandise. You might be tempted to load up on these items. Remember, however, that what you can't sell ends up sitting on the shelf.
- Buy in depth. Don't buy "a little of this and a little of that." Your store may end up looking like a junk store. Pick a few products, and stock them in fairly large quantities. Buying in depth tells your customers: "This is what we believe in."

Smart buying involves buying the right merchandise for your customers:

- in the right quantity (not overstocking);
- of the right quality;
- at the best prices; and
- from reliable suppliers who will give you the best service and prompt delivery.

### Supplier Terms

Most specialty food stores will have accounts with a number of suppliers--each specializing in different merchandise. When you start looking for suppliers, there are four basic considerations: when merchandise is to be shipped, how merchandise is to be shipped; how much time you have before you pay the bill, and the discount you will be given for paying in cash.

Some suppliers offer "8/10 EOM (end-of-month)" terms. This means that stores that pay within ten days after the end of the month may subtract 8% from the bill. But if your payment is late, you will owe the full amount at the end of that month. For example, if you pay a bill dated October 5 by November 10, you can take an 8% discount. If you wait until the end of the month, you will have to pay the full amount.

You will often have to arrange for delivery of the merchandise from the supplier's warehouse to your store. Studying shipping methods and rates will let you choose a delivery method that is economical and will

get the goods to you on time. You may consider trucks, the Postal Service, United Parcel Service, railway or air express. Your choice will depend on cost, distance, how fast you need the merchandise, and the size of your order.

Many specialty food stores handle "perishable" items--foods that need to be refrigerated. For example, if you sell cheese and other dairy products, fast delivery in refrigerated trucks will be important. If you need nonperishables like flour, immediate delivery is not as essential.

Delivery time varies depending on the type of merchandise, shipping point, and delivery method. Some deliveries will take only a few days. Others, especially imported items, may take weeks or months. You will have to plan your buying schedule carefully.

### Store-Supplier Relations

The number of suppliers you buy from should be small. Suppliers favor their more loyal customers, especially if they know you personally. They may give you better delivery time and buying terms. They will be more helpful if, for any reason, you want to return an order. They will also give you tips on special deals and industry news."

### Inventory Control

Good management of your store's inventory is essential to keep your foods and produce fresh and to give your customers what they want. There are several reasons why you should have some kind of inventory control system:

- to keep track of the foods, merchandise, and supplies that go into and out of your store;
- to help you plan for future orders;
- to give you an idea of the dollar value of your inventory; and



- to let you know which foods, products, and merchandise are popular and which ones do not sell well.

Your best bet is to keep your inventory control system simple.

Personal observation is one way of keeping track of stock. By arranging your inventory, you can tell by looking what has been sold and what needs to be reordered. You can take occasional physical inventory counts to get a precise number of items sold, or unsold. This should be done on a regular basis. Last, there is the "book" method (perpetual inventory). This is a way of estimating the stock on hand by using this formula:

$$\text{Current Inventory} = \text{Inventory at beginning of period} + \text{owner purchases made during period} - \text{sales during period.}$$

Store owners must keep accurate records of their purchases and sales. Purchase order forms and inventory cards will help you.

### Summary

In this unit you were introduced to the basic steps involved in inventory selection and control. It is important to find reliable suppliers. Good relations with your suppliers will contribute to the success of your store. It is also very important to keep accurate and up-to-date records of your purchases and sales. You will be better off if you take the time to fill out purchase orders and inventory cards and to develop an inventory control system. This way you will have an accurate record of what is on hand, what has been ordered, and what has been sold.

## Learning Activities

### Individual Activities

1. Consider the specialty food store you would like to open. Make a list of the different types of food and merchandise you would include in your opening inventory.
2. Check your Yellow Pages and list some of the suppliers in your area that you would contact to purchase your initial inventory.
3. What are the advantages of buying from only a few suppliers? The disadvantages?
4. Call your local post office, an air express service, or a trucking service. Find out how much it will cost to ship 300 pounds of cookware (non-perishable) from Chicago to your town. Are there any special requirements? How long will it take for the shipment to arrive?
5. List three techniques of inventory control:
  - a.
  - b.
  - c.

### Discussion Questions

1. What additional benefit of inventory control does Stanley mention that is not discussed in the text?

2. When you are looking for suppliers for your specialty food store, what four factors should you consider? Why?
3. How does the type of specialty food store you choose to open affect your choice of suppliers and delivery methods?

### Group Activity

Interview some specialty food store owners in your community. Here are some questions you might ask. What type of inventories do they carry? Where do they get their supplies? How do they choose their suppliers, and what types of delivery methods and schedules do they use? Do they count inventory? How often? Do they use any special forms?

Make a presentation of your findings to the class. Discuss the considerations that went into choosing suppliers and ordering supplies. How do their inventory control systems differ?

## UNIT 6

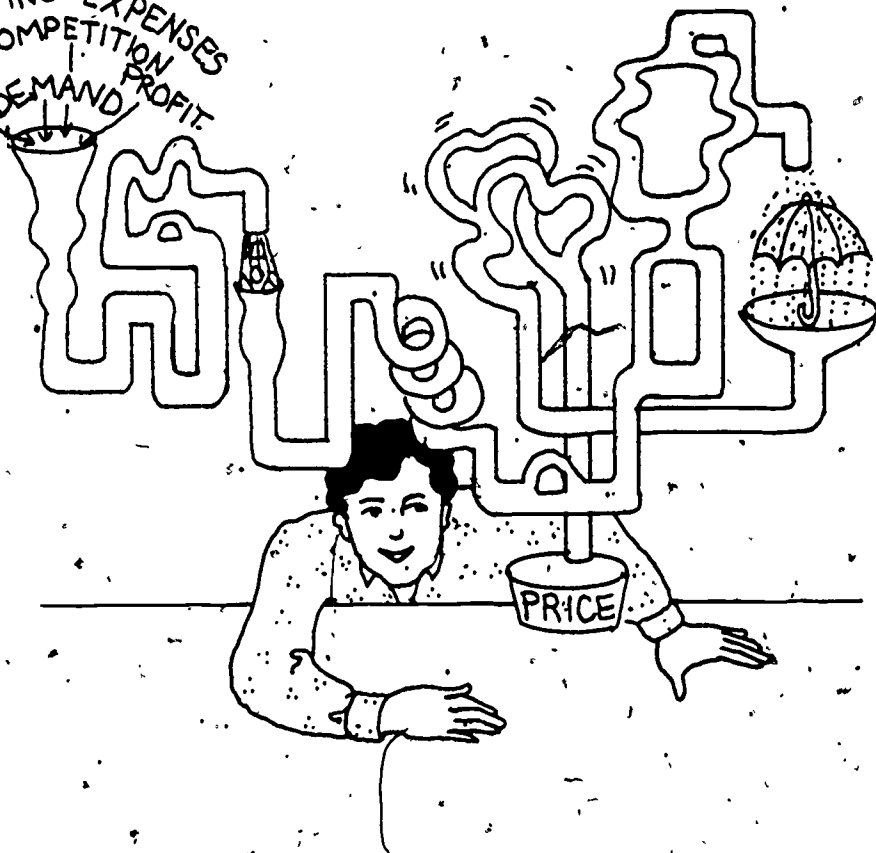
### Setting Prices

Goal: To help you decide how to set prices for your merchandise and products.

Objective 1: List three things to consider in setting your prices.

Objective 2: Define stock turnover and describe how it affects prices.

OPERATING EXPENSES  
COMPETITION  
COSTS DEMAND PROFIT



## STANLEY'S PRICES

Stanley talks about the pricing policy at the Bagel Broker:

"The prices we charge for our bagels have to bring in enough money to cover our costs and give us a profit. I think we might be higher than other bagel bakeries by a penny or two, but then again, we are the best. And people are willing to pay a little more for quality."

"The prices we pay for our ingredients are pretty stable, although the price of flour may go up and down depending on the wheat market. What really throws us is our operating expenses."

"The equipment and machinery we use are expensive and complex. If a machine breaks down, I may be able to fix it myself. But if I need a part, it has to be special-ordered from the factory on the East Coast. The cost for the part, shipping costs, and the money we lose because our production schedule is thrown off all add up."

"You wouldn't believe our utility bills. The electricity to run the machines and the gas for the ovens are expensive. Last month we had a utility bill for \$18,000. Can you believe that?"

"I'm in this business for the money. Any increase in my costs is passed along to the customers. The bagels we don't sell at the end of the day are wrapped in plastic bags, frozen, and delivered to the local grocery stores and supermarkets as frozen foods. We don't make as much profit on these bagels, but we don't lose money either."

## Setting Prices

Pricing is basically a matter of striking a balance. You want to set your prices high enough that your costs are covered and low enough that you can stay in line with your competition.

In setting your prices, there are four main things to consider:

- the cost of goods sold (the amount of money you spend on the goods you sell the customers);
- your operating expenses;
- the amount of profit you want to make on your sales; and
- your competition (the going prices--and what people are willing to pay).

In this unit you will learn about stock turnover and how to set prices for merchandise.

### Turnover

Stock turnover is the number of times a store's inventory is sold and replaced during the year. You will want to have a healthy flow of goods in and out of your store. Frequent stock turnover is one sign of a successful store operation.

Most stores try to sell their merchandise as fast as they can. This way, perishable goods are not lost because of spoilage. The stores will also have ready cash to buy more merchandise and products and to improve their inventory.

Turnover rates will be different, depending on the types of food and merchandise your store carries. A low turnover rate may tell you that too much money is tied up in slow-moving merchandise. If your perishable items are unsold, you will have to throw them out and lose money. When

you have a low rate of turnover, you should take a close look at both your products and your prices.

### Pricing

A basic step in making a profit is selling goods for more than they cost you. You buy your supplies and inventory from your suppliers at wholesale prices. The difference between the wholesale cost of the merchandise and the price you charge your customers (the retail price) is called markup.

The selling prices you set on items should cover wholesale costs, transportation costs, and operating expenses. Operating expenses may include:

- rent payment for the store;
- salaries of employees;
- advertising and promotion costs;
- utilities, insurance fees, and taxes; and
- costs of operating, maintaining, and repairing any necessary machinery or equipment.

Your prices must be competitive. There is usually a "going rate" to be considered--the average price your competitors charge for the products. Take the time to find out your competition's prices. Keep these in mind when you set your own prices. Customers will not be happy paying higher prices unless you also offer "extra" services. These services may include free delivery, gift wrapping, or extra help from salespeople.

### Things That Make Prices Go Down

Wines may improve with age, but other products may get moldy and stale. Stale bagels and greenish cheese, for example, will not sell. If your merchandise is not selling, you may consider marking it down for a quick sale before it spoils. If you hold on to slow-moving stock, you may end up having to throw it out and take a loss on your investment.



Many stores may have two to four big sales each year. There are many different kinds of sales such as grand opening sales, holiday sales, and end-of-season sales.

Some items may be priced very low in order to attract customers to the store. For example, if a serving plate that is usually priced to sell at \$15.99 costs you \$8.00, you may consider offering a \$5.00 discount. Your profit will be much less than usual, but you may attract into your store more customers who will also buy other, more profitable items.

If you really want to clear out old merchandise, you may even consider selling the serving plate at \$6.99--\$1.00 below cost. Although you will not be making money, you will clear the store for new merchandise, and you will be making some surprised customers very happy.

There are many other reasons to lower the prices of goods in your store. You may charge less if you decide you don't want your business to expand at a fast rate. If you like things the way they are and a large profit is not absolutely essential for you, you may lower your prices.

Prices may go down if operating expenses go down, or if you can figure out an especially efficient way of operating your store.

Prices may go down if your wholesale costs are reduced and you can afford to pass these savings on to your customers.

### Things That Make Prices Go Up

If you are planning to raise prices, you might want to ask for more money now than you think you currently need. If the state of the economy is such that expenses are constantly going up, adding more to the price now will mean you won't have to raise prices again soon (and upset your customers a second time).

You can ask higher prices if your store is unique--if you are the only specialty food store of your kind in the area,

You can ask for more if you provide special services--for example, catering and delivery services. This is because you will probably have to put in more time and effort in order to get the job done.

You can ask for more if your wholesale costs and your operating expenses go up. For example, as the price of gasoline goes up, so will your costs to deliver your goods; as the price of wheat goes up, so will the price of flour.

You can ask for more if you need to hire more employees to assist you in your business or if you want to improve some aspect of your business. For example, you may wish to replace your old refrigerator with a newer, more efficient (and more expensive) refrigerator.

### Summary

Stock turnover tells you how many times in a given period an inventory is replaced. Turnover rates are affected by how you select and price your merchandise. A well-planned pricing policy should be competitive and should help your store show a good profit. Pricing policy must allow for changes in the market and must include planning for sales. During a sale, the prices on your goods will be lower than usual. You will not make as much profit, but you will attract customers to your store, and you will clear out your inventory.

## Learning Activities

### Individual Activities

1. List five operating expenses of a specialty food store.
2. The specialty food store around the corner carries a line of merchandise that is similar to yours but sells it at a lower price. List three things you can do to counteract these discount prices.
3. Describe four situations in which you might consider reducing the selling price of your merchandise. Why?
4. List three different kinds of store sales. When would it be appropriate to have these sales?

### Discussion Questions

1. Discuss the turnover problems that may be associated with specialty food stores.
2. Discuss the reasons why it may not be wise to keep old, unsold merchandise around. How has Stanley handled the problem of unsold bagels?
3. List and discuss the problems a store owner might have that will reduce his or her profits.
4. Discuss the advantages and disadvantages to reducing the prices on your merchandise. What are some reasons store owners would do this?

### Group Activity

Bring in sale ads from your local newspaper. For one week keep a file of these ads. At the end of the week, group the ads according to store type, type of sale, reason given for sale, and advertised markdowns. What conclusions can you reach?

UNIT 7

Advertising and Selling

Goal: To help you learn ways to sell your merchandise and advertise your specialty food store.

Objective 1: ~~Pick one way to advertise your specialty food store.~~

Objective 2: Design a printed ad for your specialty food store.

## STANLEY ADVERTISES

This is how Stanley advertised his bagels. "When we first opened, we organized a grand opening promotion with classes to teach people about bagels. You know, there are many people who don't know what a bagel is. Of course, we advertised in the local paper, and we have a big ad in the Yellow Pages.

"We found we had to do less and less advertising as word started to spread about the Bagel Broker. Our customers do most of it for us. They tell their friends about us, and the customers keep coming.

"We still do some advertising in the Jewish community and in the university newspaper. People also learn about us in grocery stores. The bagels sold there are in plastic bags with the Bagel Broker's logo printed on them. It's easier to buy bagels when you're doing your grocery shopping, but the fresh bagels at our store are unbeatable.

"Good public relations are important in any business. We do a lot of public relations events. We will take school classes on a tour of the bakery. When the city workers went out on strike last year, we provided free bagels to the strikers. We donate cash and bagels to local charity events. We also sell gift coupons and T-shirts with our logo. Public relations and community involvement are ways of doing a good advertising job without spending a lot of money."

## Advertising and Selling

Every business needs customers. Advertising is a good way of getting the word out and telling shoppers about your store, special events, services, and prices.

### Why Advertise?

The purpose of advertising is to attract customers. It is a way of telling people what you can do for them.

What are the best ways to advertise your store? Take a good look at yourself and your customers. Ask yourself these questions.

- What business am I in?
- How is my store different from my competition?
- What quality merchandise do I sell?
- What kind of store image do I want to advertise?
- What customer services do I offer?
- Who are my customers?
- What are their tastes?
- Why do they buy from me?

In this unit you will learn about the qualities of good advertising and the best ways to get your message across to your customers.

### Ways to Advertise

A good advertising campaign can be very expensive. But you can substitute imagination and good public relations for money. The first thing

to do is to find out what your customers read and listen to. Then plan your advertising. Here are ways you can advertise your store.

Although direct mail is expensive, it:

- reaches a selected audience (your target customers);
- is effective for special uses such as a mail order business, announcing new products and/or services, welcoming new customers, announcing special events and sales; and
- offers a great variety of formats (catalogs, letters, fliers, coupons, brochures).

Newspapers are the most commonly used form of advertising. Prices of ads will vary depending on the newspaper's circulation and the size of your ad. Although newspaper ads have relatively short lifespans, they:

- are relatively inexpensive for the large number of people they reach;
- are easily and quickly changed and can be placed in a particular newspaper or sections of a paper to reach a select audience; and
- are available in various formats--as classified ads, inserts to regular editions, and special shoppers' guides.

The cost of local radio and television ads can be expensive. But radio and television ads can be very effective for telling people about sales and other special store events.

Public relations includes the image you develop for your store and all your dealings with the public. It is simply the way people feel about your store--the thing that makes people think of you when a friend asks them where to buy something. Two excellent business-getters for your store are (a) its appearance from the outside and (b) word-of-mouth advertising. These two public relations methods will probably bring in more customers than all your other advertising methods combined.

In addition, directories such as the Yellow Pages are very important in advertising your store. This is usually the first place people look when they are trying to find a particular product. Directories:



- have long lifespans;
- will list your store and/or product alphabetically so potential customers can easily locate your ad; and
- are easily available to the public.

These are only a few of the ways stores tell the public about themselves. In addition, you may consider transit advertising on buses or trains and specialty advertising such as food and cooking shows, calendars, T-shirts, balloons, buttons, and matches. You can also design a distinctive logo that can be printed on shopping bags and fliers.

### Qualities of a Good Ad

Here are some tips you can use when you begin to plan your ads.

- A good ad should be simple, informative, and truthful.
- Make sure your ads are easy to recognize. Give your ads a consistent personality and style. Use a distinctive store logo.
- Show the benefit to the reader of shopping at your store. Customers want to know "what's in it for me?"
- Feature the "right" item. Show merchandise that is timely, wanted, in stock, and typical of your store. Specify brand merchandise whenever possible.
- State a price or range of prices. If prices are low, tell people why--because of sales or special offers.
- Include the store name, address, telephone number, and hours.

Ads that call for prompt action are very effective. Put action in your words. Use terms your reader will understand. Get right to the point. Make every word count. You may want to include discount coupons. Mentioning limited quantities or a short time period for a special sale will also encourage people to act quickly.

Find out the costs of advertising before you decide what type of ad you want to use. In one sense, your decision on how much to spend for advertising will come down to: how little can I spend and still do the

job that needs to be done? Don't skimp too much, however. Remember that advertising is an "investment" you must make to bring in sales.

### Summary


Advertising should be well-planned, distinctive, and consistent with your store image. You now know some ways to advertise.

Learning Activities

Individual Activities

1. List at least four qualities of a good ad.
2. Look at these newspaper ads and answer the following questions. Indicate the letter of the ad or ads that best answer the following questions.

A



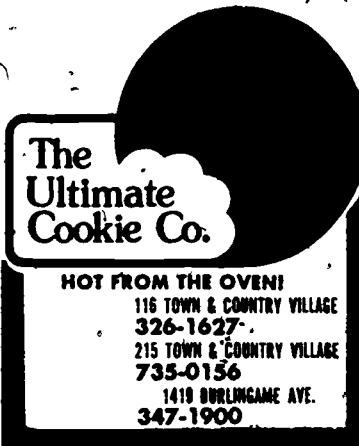
**INTERNATIONAL GOURMET**

*International Gourmet*

- COLD CUTS
- CHEESES
- DELICACIES
- SALADS
- IMPORTED WINES
- LUNCH COUNTER
- SANDWICHES

591-4476

B



**The Ultimate Cookie Co.**

**HOT FROM THE OVEN!**

116 TOWN & COUNTRY VILLAGE  
326-1627  
215 TOWN & COUNTRY VILLAGE  
735-0156  
1419 BURLINGAME AVE.  
347-1900

C




**DUTCH GIRL PASTRY SHOP**

OPEN MONDAYS

854-0883

SHOPPING CENTER

D



*...In San Carlos*

**TASTY BAKERY**

WEDDINGS & BIRTHDAYS  
CAKES A SPECIALTY  
COOKIES - DANISH PASTRY

Call 593-0288

- a. Which ad includes the most information on special products and services? \_\_\_\_\_
- b. Which ad has the most distinctive logo? \_\_\_\_\_
- c. Which ad is the least distinctive? \_\_\_\_\_
- d. Which ad gives the least information? \_\_\_\_\_
- e. Which store would appear to be the most successful? \_\_\_\_\_ Why?

3. Match the advertising method on the right with the phrase best describing it.

- |   |                     |
|---|---------------------|
| a. Expensive but personal.  | A. Newspaper        |
| b. Most commonly used form of advertising                         | B. Yellow Pages     |
| c. Good for reaching people who are already in need of your store | C. Direct mailings  |
| d. Effectiveness is often indirect and not obvious                | D. Public relations |

4. Think about the specialty food store you would like to open. Design a newspaper ad for it. Include all the information you would want to put into your ad. Even if your artwork is not perfect, draw a sketch to show your ideas.

#### Discussion Questions

1. Susan Manning owns and operates a very expensive gourmet food and cookware store. Who do you think her customers would be? How could she best advertise her store and merchandise?
2. Reread the section on public relations. Brainstorm ideas on how to advertise your specialty food store that would come under the heading of public relations. Remember, public relations can be anything that makes people feel good about your store.

3. What are the things that attract your attention when you look at newspaper ads? How does this relate to the section on qualities of a good ad?

Group Activity

Many ads show men and women in stereotyped roles--for instance, women as housewives and men as business executives. Bring in as many examples as you can find of ads showing people stereotyped in certain roles. Discuss the reasons why stereotyping frequently occurs in advertising.

UNIT 8

Keeping Financial Records

Goal: To help you learn how to keep financial records for your specialty food store.

Objective 1: Fill out a sales receipt for a customer.

Objective 2: Fill out a daily cash sheet that shows money coming in and going out of the store.

## KEEP TRACK OF YOUR MONEY

Stan talks about finances:

"Everybody who runs a business should sit down and figure out what it costs them to turn the key in that door every morning--overhead; expenses; utilities. And they should keep track of expenses on a daily basis.

"I used to hate paperwork and numbers. My problem was that I'd look in the checking account and I'd see \$1,000 in there. So I'd buy all sorts of things we really didn't need--a fancy cash register or a desk. And if I still had \$600 in the bank, I'd think I was in good shape. Then all the supply and maintenance bills would start coming in, and suddenly I would owe my suppliers over \$800, not to mention the landlord and the utility company. If in the beginning I had kept better track of that money, I would have known exactly where I stood. Keeping records is not really hard. It can be a real bummer, but you have to do it.

"Now I knew what my expenses are and what it costs me to run the Bagel Brokers. It's over \$100 a day. When I walk in there in the morning, I know the first thing I have to do is to make \$100 to pay my bills for that one day. Then I can start making money for myself."

## Keeping Financial Records

Keeping financial records is a must for any business. Good records will help you keep track of your income and expenses, spot problems, and file financial statements and tax returns. In this unit you will learn how to keep track of your money from sales on a day-to-day basis and how to fill out a daily cash sheet..

### Cash Sales

Cash sales are usually recorded when customers pay for their purchases at the time of the sale. The salesperson fills out a sales slip. Cash sales are then rung up on a cash register. Sales slip receipts and cash register tapes form the basis of any bookkeeping system. This information will tell you the total amount of sales for that day.

When a customer buys something, he or she is given a receipt. The receipt provides the customer with proof of payment. This proof is necessary in case the customer wants to return the purchase. A second copy of the sales slip is kept at the store. This is one way to keep track of store inventory.

To keep your business running smoothly, you will need answers to questions such as these.

- How many sales were made during the day?
- What types of merchandise were sold and how many of each?
- What was the dollar amount of the sales?
- Did the customer take advantage of any of the special services?
- What credit terms were given to the customer?



This is a copy of the sales slip that Stanley uses at the Bagel Brokers. On this slip he describes how many and what kinds of things were sold. For example, if the customer buys a dozen bagels, a 4-ounce package of cream cheese, and a jar of strawberry jam, he lists them on the receipt. Stanley also keeps a record of customers' names and addresses. This is used in developing a mailing list of customers. There are also spaces to check whether the items were bought with cash (money or check), or on credit. Each sales slip is numbered.

No: 1123	
<b>SALES SLIP</b>	
DATE	6/18
CUSTOMER	Joanna Howard
ADDRESS	123 Main St.
<hr/>	
<u>Description of Sale</u>	<u>Price</u>
1 doz. plain bagels	2.55
1 pkg. cream cheese	.27
1 pkg. hot dogs	1.23
<hr/>	
Cash <input checked="" type="checkbox"/>	Subtotal 4.05
Charge <input type="checkbox"/>	Sales Tax .26
	<b>TOTAL \$4.31</b>

The sales slip that Stanley uses to record his sales of packaged bagels to the grocery stores is exactly the same. You will need a similar form to help you manage your store's sales.

### Keeping Track of Credit Sales

Most specialty food stores are retail stores. This means that their business comes mainly from their "over-the-counter" sales to private

individuals. For example, in Stanley's business 60% of the income comes from cash sales to individuals. However, 40% of Stanley's business comes from supermarkets that buy "on credit" and pay their bills at the end of the month.

Setting up a system to keep track of credit sales, then, is quite important. The important thing is to keep extra copies of your credit receipts. You could file your copies of credit sales receipts in a folder marked "Unpaid." When you receive payment, pull the copy from the "Unpaid" folder and file it in a "Paid" folder. The disadvantage of this method is that it involves a lot of pieces of paper--which can be easily lost. Another way of keeping track of sales is to set up a credit book. Here is an example of a credit book.

Sale		Receipt	Total	Date	
Date	Customer	Number	Amount	Paid	Memo
1/18	Scotts Grocery	113	53.12	2/10	
1/23	North Market	128	17.92		Re-billed 3/1
1/24	Brenneman	134	84.71	2/28	

Each sale is recorded on a separate line. When the sale is made, fill in columns 1 through 4. Fill in Column 5 when you get paid. Write extra notes to yourself in the memo column. Using this form, you can easily look down the page and tell who has paid and who still owes you money.

### Credit Cards

Accepting credit cards will eliminate most of the headaches of keeping track of credit accounts. You will not need credit books, and you will never have to hound people to pay their bills. The credit card companies will handle all the paper work and will guarantee payment of the bill whether or not the customer has paid them. They will also

charge a fee for this service. But for most businesses, the fee is worth the savings in effort, paperwork, and aggravation.

Credit cards are a popular way of buying. The advantages of accepting credit cards are that: (1) it makes buying easy and convenient for the customer; (2) it reduces the risk of your giving credit and not getting paid; and (3) your money is not tied up in debts and unpaid bills.

When you accept credit cards, you should follow these steps: (1) check the expiration date on the card and refuse to accept expired cards; (2) have the customer sign the sales receipt and compare the signature to the one on the credit card; and (3) telephone for approval on sales over a certain amount (usually \$50 or \$100).

#### Easy Come and Easy Go: The Daily Cash Sheet

A daily cash sheet can be used to keep track of the money coming in and going out of your business each day. All income information, taken from each day's sales and credit receipts and cash register tapes, should be added up and recorded on this form. Sales may be recorded by the type of item sold. The sales are recorded on the left side of the form and are added up daily. On the right side you are to enter the money you paid out each day—the money you spent on inventory and your operating expenses.

At the end of each month, or at the end of the year, these daily figures are added up to show your income and expenses. It will also show you the days and the months that are slow and busy so that you can better plan for your buying, advertising, promotional sales, etc. Good daily records will help you fill out an income statement (also known as a profit/loss statement). The next unit covers profit/loss statements. This is Stanley's daily cash sheet.

## DAILY CASH SHEET

<u>Cash Receipts</u>	<u>Cash Payments</u>
Cash Sales _____	Salaries _____
Credit Sales _____	Building Expenses _____
	Equipment and Furniture _____
	Inventory or Supplies _____
	Advertising _____
	Other _____
<b>TOTAL CASH RECEIPTS</b> _____	<b>TOTAL CASH PAYMENTS</b> _____

### Summary

Keeping good financial records is a necessary part of owning and operating a specialty food store. Cash and credit sales should be recorded on sales slips. These sales slips will form the basis of a good bookkeeping system. A bookkeeping system can be simple. Filling out daily cash sheets will help you keep track of sales (money in) and expenses (money out). You will be able to base business decisions on solid information rather than guesswork. Good financial records will help you plan for the success of your store.

## Learning Activities

### Individual Activities

1. What are the advantages and disadvantages of keeping "store accounts" for credit customers?
2. What are the advantages and disadvantages of accepting major credit cards?
3. Using the information below, fill out the daily cash sheet in this unit.

#### Money Coming In:

Total "over the counter" cash sales	\$337.52
Starlite Supermarket (credit payment)	58.92
Homefront Grocery (credit payment)	22.97
Ideal Market (credit payment)	153.04

#### Money Going Out:

Newspaper ad	80.43
Electric company	519.14
Equipment repair	47.23
Office supplies	15.99

4. Why should you itemize all sales on a customer receipt?
5. Why do you need to keep extra copies of all sales receipts?

### Discussion Questions

1. A local grocery store owner called and wanted to order \$200 worth of bagels. The store owner is not one of your regular customers, and you are unsure whether you should open a credit account for him. What would you do? What are the advantages and disadvantages of keeping customer credit accounts?
2. Tight Tilly never lets people buy things on credit in her cheese store. She says that the bookkeeping and bad accounts are not worth it. On the other hand, Generous Gary gives credit to anyone who asks for it. He says it makes people feel good about the store and brings in lots of business. What do you think? What are the things you would look for in a person before you give him or her credit?
3. You decide that keeping a daily cash sheet is too much trouble for your specialty food store right now. You have just opened up, and business is still pretty slow. Instead, you decide that you will fill out the form only once a week--every Friday after work. When business picks up, then you will start filling out a daily sheet. What are the advantages of filling out a daily cash sheet rather than a weekly one? The disadvantages?
4. Discuss some of the different types of records a store owner should keep and give reasons why each record should be kept.

### Group Activity

Many times people are refused credit just because they don't "fit the picture." Women and minorities have had a particularly hard time getting stores to give them credit. What effect do you think this has on people who are refused credit?

## UNIT 9

### Keeping Your Specialty Food Store Successful

Goal: To help you learn how to stay successful.

Objective 1: Given information about a store's income and expenses, complete a profit/loss statement.

Objective 2: Given a decline in profits, state one way to increase profits.

Objective 3: Given a specific problem of low sales, suggest a way to change your business to increase sales.

### STANLEY'S SUCCESS

"I think we've done pretty well over the past few years. We get a lot of over-the-counter business here at the store, but lately we've begun to get more orders from local groceries than we can handle. We're thinking about opening a branch of the Bagel Brokers in the East Bay, but that will come within the next few years.

"Next year, however, we're going to be opening a real deli section at the Bagel Brokers. We sell some deli foods now, but next year we'll have a whole line of foods, sandwiches, salads, the works. We'll be expanding into the store next door. We've already started work on it, clearing out the space and trying to figure out how we're going to remodel.

"What I would really like to do is to make this a kosher deli. There are no kosher delicatessens on the Peninsula, so this would make us unique. We would have no competition. The problem here is that the cost of kosher food is pretty high. I'm going to have to figure out if opening a kosher deli will bring in the customers even though the food is pretty expensive.

"All in all, business has been good. But I can't recommend it to everyone--only to people like myself who are crazy enough to work 15 hours a day."



## Keeping Your Business Successful

Every small business owner wants to be successful. This is obvious. But how to be successful is not always as obvious.

There are three important ways to keep your business successful:

- make sure you have enough cash;
- keep your profits up and costs down; and
- improve or change your business practices when necessary.

In the last unit you learned how to keep track of your cash flow on a daily basis. This same system can be used on a monthly or yearly basis. In this unit you will also learn ways to change your business to increase sales and show more profit.

### Keeping Track of Profits

Profit is a reward for your hard work. Net profit is defined as the amount of money left over from your sales (revenues) after all your business expenses have been paid (Net profit = gross profit - expenses). Keeping careful records of your sales and expenses is a necessary step in figuring out your profits. When you add all the figures over the whole year, you will come up with a profit/loss (P/L) statement. A P/L statement will tell you what your business has taken in and spent and how much profit you have made over the year. Yearly P/L statements will tell you the direction your business is taking from year to year.

### How to Calculate a Profit/Loss Statement

A profit/loss statement consists of five main parts:

- Revenues: the money coming into your store from cash and credit sales.
- Cost of Goods Sold: the inventory you start with at the beginning of the year plus purchases during the year minus the amount of inventory on hand at year end
  - Gross Profit: the amount of money brought in minus the cost of goods sold
  - Expenses: the money you spent on operating expenses for your store. This includes employees' salaries, rent, utilities, supplies, advertising, and so on
  - Net Profit: the amount of money left over from your gross profit after all the store's expenses have been paid, or gross profit minus expenses

Here is an example of a P/L statement--Stanley's figures for his first two years.

PROFIT/LOSS STATEMENT		
	<u>Year 1</u>	<u>Year 2</u>
<u>Revenues</u>		
Cash Sales	\$ 74,000	\$ 92,000
Credit Sales	\$ 31,000	\$ 60,000
TOTAL	<u>\$105,000</u>	<u>\$152,000</u>
<u>Cost of Goods Sold</u>	<u>\$ 42,000</u>	<u>\$ 60,800</u>
<u>Gross Profit</u>	\$ 63,000	\$ 91,200
<u>Expenses</u>		
Salaries	\$ 24,000	\$ 29,000
Building Expenses	\$ 6,000	\$ 9,840
Supplies	\$ 2,150	\$ 3,000
Advertising	\$ 1,000	\$ 2,000
Utilities	\$ 10,000	\$ 16,000
Insurance	\$ 2,000	\$ 4,000
TOTAL	<u>\$ 45,150</u>	<u>\$ 63,840</u>
<u>Net Profit</u>	\$ 17,850	\$ 27,360

## Profit and Loss Ratios

Profit and expense ratios can be used to help you compare your store's performance over a few years. The information on your P/L statement is used to calculate the profit ratio and the expense ratio of your store. You can use the following formulas to compute these ratios:

$$\text{Profit Ratio} = \frac{\text{Net Profit}}{\text{Revenues}}$$

$$\text{Expense Ratio} = \frac{\text{Expenses}}{\text{Revenues}}$$

If we compute the profit and expense ratios for the Bagel Brokers for Years 1 and 2, they look like this:

<u>Year 1</u>	<u>Year 2</u>
$\text{Profit Ratio} = \frac{17,850}{105,000} = 17\%$	$\text{Profit Ratio} = \frac{27,360}{152,000} = 18\%$
$\text{Expense Ratio} = \frac{45,150}{105,000} = 43\%$	$\text{Expense Ratio} = \frac{63,840}{152,000} = 42\%$

What do these figures mean? As you can see, in Year 2 the Bagel Brokers earned more profit dollars and had a slightly higher profit ratio than in Year 1.

By Year 2 the word had gotten around about the Bagel Brokers, and more people and groceries were buying bagels. Even though the costs of inventory (cost of goods sold) had increased, sales had also increased.

By this time the costs of salaries, rent, and all other expenses had also increased. But they had not increased as fast as revenues. Therefore, in Year 2 a larger percentage of revenues was going into the store's profit than into expenses as compared to Year 1.

## Improving Profits

If you feel your profits are too low, or that your store is not growing quickly enough, you can try to improve your business. There are three basic ways to increase profits in any business:

- increase sales;
- raise prices; or
- reduce expenses.

Profits and sales may be low for any number of reasons. You must try to find out why your sales are down before you decide what to do. There are two ways to go about increasing sales in order to raise your profits:

- improve the visibility of your store (more advertising);
- change your image and the merchandise you sell.

More advertising is an increased expense. But this is an example of spending money in order to make more money. You may consider changing the image of your store and developing a new theme. Your inventory will reflect your new store image.

## Expanding Your Business

Many people find that the best way to increase their sales is to offer new services. Find out what else your customers want; then figure out what you can do and if you can afford to do it. For example, adding new and more convenient services for your customers (like a new store in a different location or a deli service in your present store) is one way to bring in customers and expand your business.

Time does not stand still; neither do your competitors or the tastes and demands of the customers you serve. Unless you stay on your toes, you may find yourself with an empty store and no customers. But you should remember that if you expand your store, you will also be increasing your workload. You will have to consider hiring more employees. And

the larger your store grows, the less you will be able to supervise all the details.

You should make the decision to expand your store very carefully by taking a close look at how much you like the specialty food store business, what type of image and personality you want for your store, and what your future plans are.

### Summary

You can calculate your store's profits and compare them year-to-year by recording income and expenses on a profit/loss statement. If you want to increase profits you must increase sales, raise prices, or reduce your operating expenses.

Today, more than ever, price-conscious customers are buying carefully and holding back on spending until they find the right item at the right price. But an efficient and imaginative store owner who is in touch with customer tastes can be successful in the specialty food store business. By maintaining a distinctive store image, a reputation for quality, and a concern for customer satisfaction, a small specialty food store can always attract shoppers who are looking for "something special" to buy.

## Learning Activities

### Individual Activities

1. You can increase your sales by improving the quality of the services you offer in your store. List three ways a store can improve the quality of its service.
2. Define the terms gross profit and net profit.
3. What disadvantages are there to raising the prices of your merchandise and products as a way of improving sales?
4. List some of the actions a specialty food store owner may take to reduce expenses.

### Discussion Questions

1. List as many reasons as you can think of why sales in a specialty food store might decline.
2. What are the five main pieces of information given in a profit/loss statement? Discuss the importance of knowing each piece of information in order to manage a specialty food store successfully.
3. What types of information do you get from expense ratios and profit ratios? How can this information change the operating and management practices of your specialty food store?
4. Brainstorm and list some action steps that a specialty food store owner can take to improve profits and increase sales.

### Group Activity

As a class, list at least 15 different activities that you would have to do if you were starting a specialty food store. Here are some examples to get you started:

Call the telephone company to get hooked up.

Check out several places for the best location.

Interview people to hire.

Order paper and supplies.

After you have your list, see how you feel about doing them. Give yourself 3 points if you enjoy doing that activity, 2 points if you wouldn't mind doing it, 1 point if you would do it, but wouldn't like it, and 0 if you wouldn't do it no matter what!

There are no "correct answers." And the person with the most points doesn't "win." It is an exercise for you to see if owning and operating a specialty food store might be for you.

## SUMMARY

This module has been about owning a specialty food store. To start a small business, you need to do lots of planning. First you have to be sure that owning a small business is right for you. Then you have to decide what services to offer, how to compete, and what legal requirements to meet.

In picking a location, you have to find out where your customers and competition are and what stores are for rent. Based on this information and some good advice, you should choose a place to set up shop. Then you have to get money to start. That means showing a banker that your idea is a good one.

Being in charge means dividing the work and hiring good workers. Then you must keep track of jobs to be done and who will do them.

Setting prices means figuring out the lowest price you can charge and also the highest price. To do this, you need information on your expenses and on your competition's prices.

Advertising and selling are the ways you get customers. The good things your business does in town are called promotion. These are all important ways to help your business succeed.



You should keep good financial records so you will know how the business is doing. Then you can decide if you can expand your business or if you need to cut it back.

In order to own and operate a successful specialty food store, you need training, work experience, and the special business management skills we have covered in this module. If you have not had a course in food management, you should take one before deciding to own a specialty food store. You can learn business management skills through business classes, experience, or by using the advice and example of an expert.

You may not make a lot of money by owning a specialty food store. However, you will have the personal satisfaction of being responsible for your business and making your own decisions. Think about how important these things are to you in considering whether you should start your own store.

## QUIZ

1. Your chances of pleasing your store's customers are greatly increased if you:
  - a. can offer a variety of inexpensive products of differing quality.
  - b. zero in on a target customer.
  - c. constantly change your store image.
  - d. try to please as many different types of customers as possible.
  
2. List three personal qualities an owner of a specialty food store should have:
  - a.
  - b.
  - c.
  
3. List three decisions an owner of a specialty food store must make when starting out:
  - a.
  - b.
  - c.
  
4. List at least two legal requirements you will have to meet to open your specialty food store:
  - a.
  - b.

5. When you choose a site for your specialty food store, you should consider:

- a. parking.
- b. where your customers live.
- c. the business history of the area.
- d. future building plans in the area.
- e. all of the above:

6. List five things to think about when you choose the location of your specialty food store:

- a.
- b.
- c.
- d.
- e.

7. Information that does not need to be included in your business plan is:

- a. the number of employees you plan to hire.
- b. the target customers.
- c. a plan on how you will expand when the business proves to be successful.
- d. your management and advertising plan.

8. Bob Garcia's starting expenses for his new cheese store are \$63,000. He has \$17,000 of his own to invest and \$10,000 from his family and friends. How much money will Bob need to borrow?

9. The written job description is:

- a. an informal agreement stating who does what in a business.
- b. a means of advertising for new workers.
- c. a binding contract signed by employer and employee at the time of hiring.

10. The following people applied for the salesperson job in John Kahn's Bakery and Breads store. On the basis of John's interview notes, which person was the least qualified?

- a. David Mower--one year sales experience in the computer field; good first impression, but references suggest that he needs constant supervision.
- b. Clarence Mindr--previous experience with an advertising firm; chain smoker; unkempt appearance.
- c. Thelma Hutton--three years past experience in a bakery; attractive appearance; good listener.
- d. Susan Barkow--outgoing and lively; recent high school graduate; good listener, but very nervous.

11. What factor is least important in selecting suppliers for your store?

- a. Prices and discounts
- b. Quality of the merchandise
- c. Reliability
- d. The suppliers' own truck delivery system

12. List the three types of information a good inventory control system will give you:

- a.
- b.
- c.

13. When you develop a pricing policy for the items and merchandise in your specialty food store, the factor that is least important is:

- a. the wholesale costs of the goods.
- b. your operating expenses.
- c. your competitors' prices.
- d. retail prices in other areas.

14. Stock turnover may be defined as (choose one):
- the number of times a store's inventory is sold and replaced.
  - the number of times you count your inventory.
  - the number of shipments you receive from your suppliers.
  - the number of times you complete purchase orders and inventory cards.

15. List three advertising methods that can be used to reach local shoppers:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

16. Which one of these suggestions would be least effective in designing your store ad?

- Write a paragraph describing the outstanding qualities of your store
- Put action into your words
- Include a distinctive logo or design
- Explain your price range and announce mark-down sales

17. List four types of information included on a customer sales receipt:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

18. Which of the following information does a daily cash sheet include?

- a. Cash sales and payments
- b. Cash sales, payments, and profits
- c. Cash sales, payments, and money owing
- d. Cash sales, payments, profits, and money owing

19. Danielle's 1981 records show total sales of \$250,000, cost of goods sold of \$100,000, and total expenses of \$105,000. Compute the following.

- a. Net Profit = \$ \_\_\_\_\_
- b. Profit Ratio = \_\_\_\_\_ %
- c. Expense Ratio = \_\_\_\_\_ %

20. Danielle's profits went down in her second year. List three things she can do to increase profits.

- a.
- b.
- c.

21. List two things Danielle can do to increase sales.

- a.
- b.

PROJECT PRODUCTS

Entrepreneurship Training Components

<u>Vocational Discipline</u>	<u>Module Number and Title</u>
General	Module 1 - Getting Down to Business: What's It All About?
Agriculture	Module 2 - Farm Equipment Repair
	Module 3 - Tree Service
	Module 4 - Garden Center
	Module 5 - Fertilizer and Pesticide Service
	Module 6 - Dairy Farming
	Marketing and Distribution
Module 8 - Specialty Food Store	
Module 9 - Travel Agency	
Module 10 - Bicycle Store	
Module 11 - Flower and Plant Store	
Module 12 - Business and Personal Service	
Module 13 - Innkeeping	
Health	Module 14 - Nursing Service
	Module 15 - Wheelchair Transportation Service
	Module 16 - Health Spa
Business and Office	Module 17 - Answering Service
	Module 18 - Secretarial Service
	Module 19 - Bookkeeping Service
	Module 20 - Software Design Company
	Module 21 - Word Processing Service
Occupational Home Economics	Module 22 - Restaurant Business
	Module 23 - Day Care Center
	Module 24 - Housecleaning Service
	Module 25 - Sewing Service
Technical	Module 26 - Home Attendant Service
	Module 27 - Guard Service
	Module 28 - Pest Control Service
Trades and Industry	Module 29 - Energy Specialist Service
	Module 30 - Hair Styling Shop
	Module 31 - Auto Repair Shop
	Module 32 - Welding Business
	Module 33 - Construction Electrician Business
	Module 34 - Carpentry Business
	Module 35 - Plumbing Business
	Module 36 - Air Conditioning and Heating Service

Related Resources

Resource Guide of Existing Entrepreneurship Materials  
Handbook on Utilization of the Entrepreneurship Training Components