

Neat Treats Business Plan



Neat Treats

Sofia Kakleas, Owner/CEO

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1. Executive Summary:

Business Description:

Neat Treats is a dog treat business for families with dogs, which benefits them as it provides them a healthier and more natural type of food. Neat Treats do not contain any preservatives, as they can cause health issues for dogs. Packaged in recycled mason jars, Neat Treats cares about the environment and how the world treats it. For every ten jars sold, one will be donated to a local dog shelter.

Market Opportunity:

Neat Treats target market is middle-aged women along with families owning dogs. With about 50,000 middle-aged women in Marin, Neat Treats will attempt to sell to 5% of the group. This means approximately 3,000 women. In a group size of thirty, 68% of people owned dogs. 4.25 million households own dogs which means the dog treat sales are very high. These dog treats are best as they are locally made, high quality, and completely natural. They are so natural that even humans could eat one!

Marketing Strategy:

Neat Treats goal is to encourage dog owners to feed their precious pets healthy foods to keep them thriving. Neat Treats also used recycled jars to help the Earth along the way. The business values sustainability, recycling, and organic foods.

Operations:

The Kakleas kitchen will be first used for production and will later transition to a kitchen in San Rafael. The ingredients will be from Safeway and Whole Foods while the jars will be recycled. The treats will be stored in the Kakleas house, but will later transition to a kitchen as well.

Management Plan:

Neat Treats has three main roles which are the Owner, Head Baker, and Packager. The Owner, Sofia Kakleas, will be in charge of looking over the other workers, managing social media, and keeping track of the income and charges. The Head Baker will be in charge of baking the recipes along with hiring part-time bakers if needed. The Packager will obtain the recycled mason jars and package the treats.

Financials:

To make a batch (twelve treats) of treats, it costs \$2.50 approximately. The jar of treats will be sold at \$8.00 which comes with one dozen treats. The startup costs will be one hundred

dollars which will include the costs of materials, ingredients, transportation, labor, and other needed supplies for a few dozen treats. For the first five months, the treat sales should rise from ten per month to twenty and continue rising from there. For the first year, the net total profit should equal \$3,064 and breakeven at 12,584. The payroll and operation cost is taken into account for these costs. Many operation costs such as baking supplies are one time purchases.

2. Business Description:

- a. Positioning Statement: Neat Treats is a dog treat business for families with dogs, which benefits them as it provides them a healthier and more natural type of food.
- b. Business Description: My name is Sofia Kakleas and my business is Neat Treats. I make organic and healthy dog treats using ingredients such as carrots, sweet potatoes, apples, peanut butter, whole wheat flour and much more. They are so natural, even humans can eat them! Many organic dog treats can be very expensive but mine is only eight dollars. For every ten bags sold, I will donate one to Orphan Dog, a dog shelter.

3. Market Opportunity:

- a. The Need Your Business Addresses: Neat Treats addresses the need for families to provide healthier treats for their dogs.
- b. Target Market: I assume my target audience will be families in Marin County that own dogs. Specifically, females that are around thirty-five years old. I imagine they will have kids and be supportive of healthy and clean eating. An example is Molly Martin who is a forty-year-old caucasian woman with two kids. She believes that her animals should eat as healthy as her family does. She is a teacher who makes \$7,500 per month, who believes in the environment and clean eating.



- c. Market Demand: I believe my business will capture of 1% the possible market at first. The plan is to reach 5%. The world consists of billions of people, and to begin, my product will remain more locally at first. My plan is to eventually expand all over California, which is twelve percent of the United States population. With about 50,000 middle-aged women in Marin and a 5% market

goal, that is about 2,500 people. Since my product costs eight dollars and dog treats are averagely bought fifteen times per year, that is one hundred and twenty dollars. If that is multiplied by 2,500, I could potentially receive 300,000 dollars.

- d. Market Research: Dog treat sales have reached about 4.39 billion dollars in the world. 4.25 million households in the United States own a dog, which means there's a lot of room for sales. In a sample group of thirty people, sixty-three percent people owned dogs. Out of that group of dog owners, eighty-four percent buy treats. Eighty-nine percent of the dog owners from this survey care about providing their animal with healthy and all natural dog treats and food. “More than half (55%) of millennial pet owners are willing to try holistic and natural-branded nutritional pet supplements before resorting to conventional pet medication, as opposed to only 30% of owners 35 and over. When the only option left is to buy conventional pet medication, however, more than half (52%) of millennials buy meds oppose to only 28% of any other demographic.” Many people are interested in buying organic and all natural treats.
- e. Competitive Analysis: There are many different types of organic dog treat brands that are stocked in many pet food stores. Some of these brands include Zukes, Newman’s, Wet Noses, Riley’s and Plato’s. The price range of these products ranges between three and nine dollars. These treats are mostly of good quality and made from adequate ingredients. Neat Treats is better as it is locally made, high quality, uses recycled jars and is all natural!
- f. SWOT Analysis: My business has many opportunities as it is a locally made, all natural, and an organic dog treat. Although the price is slightly higher than other brands, it is so natural that humans can eat them, reassuring it is a healthy product for dogs. I am able to brand these around animal shelters looking for a healthier option for their dogs but also families. I will have more direct sales than other brands. Other dogs treat brands treats may last longer than mine as they have added chemicals in them to lengthen the shelf life.

4. Marketing Strategy

- a. Mission, Value, & Goals:
 - i. Misson- Neat Treats strives to create organic and all-natural dog treats made of healthy fruits and vegetables, so dogs can experience chemical free foods too. To verify that dogs are being benefited by my product, I will donate one bag of my treats for every ten sold to ensure dogs all around can experience healthy food.
 - ii. Values- Neat Treats values not only nature around us and recycling but also animals.

- iii. Goals- All organic and natural foods are incorporated into the treats and packed in recycled mason jars.

B. Branding:



Neat Treats

Neat Treats is an all-natural, organic, and family-friendly brand. With treats so natural as Neat Treats, you do not have to worry about your kids accidentally eating them! Our logo is “Organic dog treats made in a clean way”. To ensure that customers are recovering perfect service, our brand kindly welcomes returning and new buyers. We even drop the treat price fifty sense if they bring their reusable mason jar back for their next purchase!

C. MOST Grid: Focusing on the marketing objectives, strategies, and tactics, Neat Treats has many goals for the future. My plan is to earn about five hundred dollars by mid-June through my business. I will attend various events regarding clean cooking and dog health along with developing contact lists. Contact lists can be collected from family, friends, pet store owners, and veterinarians. Events such as basic cooking classes will be needed for new employees. I can also create relationships through social media which will lead to new marketing strategies. Social media examples include Facebook, Instagram, and websites. I will achieve these goals towards the beginning of 2019. I can use email and other contacts to gain information.

5. Operations

- a. Operations: As a dog treat company, a kitchen facility will need to be available for use. Starting in my kitchen or at Terra Linda High School’s kitchen or the Kakleas family kitchen will be the first steps until a larger one is needed. Ingredients will be obtained from stores such as Safeway and Whole Foods. This food will be stored in the Kakleas family house until larger orders are received, which they will then be moved into a larger kitchen. Supplies such as an oven, mixing bowl, utensils, baking sheet, mason jars and other small supplies will be required. Sofia Kakleas, the owner, will make the product until she hires a team of a head baker and two part-time bakers/packages. The product will be baked in an oven and created by hand. The finished product will be stored in the

Kakleas family house until a larger storage area is needed. The product will either be shipped (with an added cost) or hand delivered(or picked up). The operation can start as soon as possible, as the only materials needed are food products and recycled jars. Specific companies I will contact are Zuke's Pet Treats along with other local organic dog treat businesses. Different provided kitchens I can work at the cost of around twenty-five dollars per hour, which can help.

6. Management

- a. Management: To make sure my business is sustainable I will be only using organic and all natural products along with reusable mason jars to sell my treats in. I will have contacts with other local businesses that provide organic foods which means I will need a head baker for this section along with someone to sort out the packaging. I will have people that are familiar with fresh farming and recycling involved in these roles. Basic cooking classes for planners and bakers will be required. They will get a small lecture on how to cook the treats properly along with how to properly manage (by Sofia Kakleas). They will be paid through the money I make from selling the treats. They will be paid monthly, and as the business grows their pay will increase. I will be making the decisions along with my management team, to ensure correct choices are made. As the head of the business, I will have the most power to my business, but a team effort will be required.

7. Financial

- a. Unit Cost: The total price for one batch of dog treats (twelve) is about two and a half dollars if done precisely. Only four ingredients are required along with recycled mason jars, and if bought in a large size, the unit cost is very low.
- b. Other Expenses: Expenses are required for the usage of a kitchen, kitchen supplies, and transportation costs. A kitchen with at least two ovens is required to maintain a fast production rate. If a kitchen or extra space is needed to rent, that can be between five and six hundred dollars. As the cooking process does not take long, only part-time and possibly one full-time baker are required. If one hundred jars of the treats are sold at eight dollars, eight hundred is made. After subtracting two hundred and fifty for supplies along with another one hundred and fifty for other expenses including pay, about four hundred and fifty dollars are made at first. From this point, the net cost should total \$3,064 as initial supplies are no longer required. This creates profit in the long run. If sales stay at a constant rate, and other kitchen space is not needed, this business will gain profit. Per year, the breakeven point is 12,583.78. This was calculated as 57% gross margin divided by \$6669.14 fixed expenses. If the sales go down, a breakeven point will be happening if only four jars are sold per month.
- c. Startup: About a hundred dollars at a minimum would be required to start up my own kitchen or the Terra Linda High School kitchen would be allowed. This money would be

for ingredients and pay. Outside investors that are interested in the business, as well as my own money, will be used.

8. Conclusion

Neat Treats is the future of dog treats. “Dog Treats Made In A Clean Way”. Without added preservatives that can cause your pet potential harm, these treats burst with flavor and healthiness for your dog. They are all natural and organic while incorporating fruits and vegetables into them. With many health benefits such as fiber, vitamins, and selenium, these treats are perfect for your pet. Although they do cost on the higher side of dog treats, the pros outweigh the cons. Invest in Neat Treats and be prepared to make your dog smile.