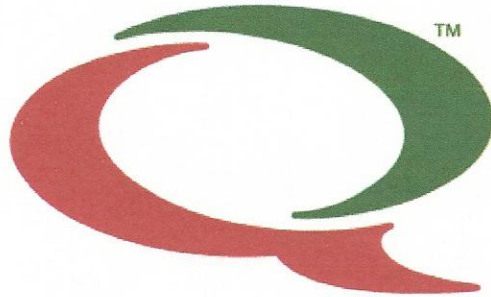


Entrepreneurship Franchising Event

Quizno's Sub



QUIZNO'S[®]
SUB

MMMM...TOASTY!

Monarch High DECA Chapter

5050 Wiles Road

Coconut Creek, Florida 330073

Sebastian Leon

December 07, 2011

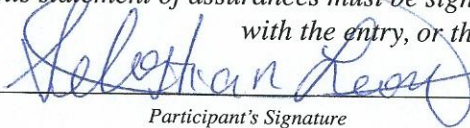
DECA Written Event Statement of Assurances, 2012

Research and report writing are important elements of modern business activities. Great care must be taken to assure that the highest ethical standards are maintained by those engaging in research and report writing. To reinforce the importance of these standards, all written entries in DECA's Competitive Events Program **must** submit this statement as part of the entry. The statement **must** be signed by the DECA member(s) and the chapter advisor.

I understand the following requirements are set forth by DECA Inc. for all Competitive Event entries containing a written component. These requirements are additional to the general rules and regulations published by DECA Inc. By signing this statement, I certify that all are true and accurate as they relate to this entry.

1. The contents of this entry are the results of my work or, in the case of a team project, the work of current members of this DECA chapter.
2. No part of this entry has previously been entered in competition.
3. This entry has not been submitted in another DECA Competitive Event.
4. Credit for all secondary research has been given to the original author through the project's bibliography, footnotes or endnotes.
5. All activities or original research procedures described in this entry are accurate depictions of my efforts or, in the case of team projects, the efforts of my team.
6. All activities or original research described in this entry took place during this school year or the timeline specified in the Event Guidelines.
7. I understand that DECA has the right to publish all or part of this entry. Should DECA elect to publish the entire entry, I will receive an honorarium from DECA. Chapters or individuals with extenuating circumstances may appeal the right to publish the entry to the executive committee of the board of directors prior to submission of the project for competition.

This statement of assurances must be signed by all participants and the chapter advisor, and submitted with the entry, or the entry will be given 15 penalty points.



Participant's Signature

Participant's Signature

Participant's Signature

Sebastian Leon

Print/Type Participant Name(s)

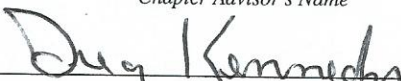
ENPF / Monarch high / Florida

Competitive Event Name/School/State

To the best of my knowledge, I verify that the above statements are true and that the student's (students') work does not constitute plagiarism.

Chapter Advisor's Name

Chapter Advisor's Signature



Chapter Advisor's Email

Hole punch and place in front of the written entry. Do not count as a page.

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I. EXECUTIVE SUMMARY

Quizno's sub was the first franchise I had in mind when choosing a business to get involved with. Their outstanding service and delicious food made this restaurant chain my ideal choice. Quizno's **Product mix** includes everything from popular submarine sandwiches and flatbreads to savory soups, chili, and salads. There are over 2,772 Quizno's restaurants worldwide. Fort Lauderdale, Florida is a hot spot for tourists and visitors, which will be an advantage to my restaurant location. My business will be located at the Promenade of Coconut Creek, a popular plaza located in the middle of the city. My **Planned personnel** will consist of seven employees – one manager, two shift managers, and four general employees. To promote my business I will hold a "Grand Opening" and use a variety of **Sales promotions**, such as the "Choose 2". Some examples of **Non-personal promotions** that will be incorporated are **Social media advertising** and **Print advertising**. Quizno's corporation and Restaurant Depot will provide all of the supplies needed to run this franchise successfully. When ordering our products, customers will have the option of dining in, delivery, catering, or ordering to-go. In order to invest in this franchise I will need to borrow \$225,000 from the bank. This loan will be repaid over a period of 10 years at a fixed interest rate of 7.5%. The **Monthly loan payments** will be \$2,612. This loan will be added with my personal capital of \$70,000 and with my parent's contribution of \$30,000 to give me an initial capital of \$325,000.

II. DESCRIPTION AND ANALYSIS OF A BUSINESS SITUATION

A. RATIONAL AND MARKETING RESEARCH

My business plan is to become a franchisee of **Quizno's Sub**, an internationally prominent sub sandwich restaurant chain. Quizno's Sub; established in 1964, has become a popular choice for eating delicious subs. With more than 2,772 restaurants across the world, this popular franchise is world renowned. I have chosen to open a Quizno's Sub because of their high reputation, delicious food, and superb service. There hasn't been one time where I've had a bad experience at this restaurant. Consequently, I believe that opening a Quizno's Sub in the location I've selected, will be a prosperous and rewarding business venture. Quizno's Sub incorporates fresh products and exceptional service. I believe that customers should be treated politely and satisfying them should always be the top priority. I will collect all the information needed to complete this project through extensive internet research done on the Quizno's Sub website and other sources.

B. INTRODUCTION

Upon first establishing Quizno's Sub, their submarines were the only item that was offered on their menu; however, throughout time the menu has developed to include different types of soups, salads, and many different types of subs. For instance, Quizno's Sub also offers several flat breads, Toasty Torpedoes, which are served in slim, soft baguette, and also Toasty Bullets, which is half a Toasty Torpedo. The turkey and ham sub, served on your choice of Artisan breads, is one of the most popular ones. Broccoli cheese, chicken noodle, and chili are the tasty soups that are offered at Quizno's Sub. There are many different choices to pick from, for people with different likings.

C. SELF- ANALYSIS

Sebastian Leon is currently a senior attending Monarch high school in Broward County. His Grade Point Average (G.P.A) is a 3.5. He is a member of his schools Key Club and Environmental Club, while he attends College at night, as a dual enrollment student. He is also a first year DECA student. Sebastian is a very motivated individual who works hard and is persistent to achieve his goals. Opening up his own business and becoming an entrepreneur is something he is extremely interested in because he's planning to work in business after college. Furthermore, this project will help him get a better understanding with entrepreneurship, provide him valuable information about business, and will give him beneficial experience needed for the field of business.

D. ANALYSIS OF THE BUSINESS OPPORTUNITY

The location proposed to open my Quizno's Sub will be in South Florida. I'm positive that my selected location will be one of the many beneficial factors to my restaurant because there are many people that live around that area and the city is growing. My business will be located at the Promenade plaza on Lyons and Wiles Rd in Coconut Creek, Florida. This is an optimal location because the plaza is popular among area residents, and many teenagers, because of the high school down the street. My target will be both Generation Y and Generation X because

Quizno's Sub is popular among every age group. This franchise will be an ideal alternative to most of the higher priced restaurants that are already established in the plaza. Generation X will come after school and eat here, while generation Y will stop by for a bite to eat, that's both cheap

and quick after shopping. My customers will come from the Coconut Creek area and also from Coral Springs since it is also close from this location.

Population of Coconut Creek	43,566 people
Median Age	41.3 years old
Median household income	\$43,980
People with a bachelors degree or higher	27.1 %
Average home sale price	\$141,800
Average family size	2.73
Per Capita Income	\$25,5590

E. PROPOSED ORGANIZATION

This business will be a franchise owned by myself. I will be a sole proprietor, and take responsibility with the management and the financial tasks. The reason why I chose to be a franchisee of Quizno's Sub is because the company has a very commendable reputation. Running under the name of Quizno's Sub will be beneficial to my business. Quizno's Sub has many seminars in a variety of different locations to assist future franchisees. If attending a seminar is an inconvenience, there are webinars you can attend. Quizno's Sub will help and aid me throughout this whole process, so everything runs smoothly. One of their opening project managers will help with financing, equipment, and training. When the restaurant is ready to open, a restaurant operations manager helps you train the staff and open the restaurant.

The building in which my business will be in is approximately 1,300 square feet. The hours of operation will be Monday through Saturday from 10 A.M to 10 P.M, and 11 A.M to 8 P.M on Sundays. This restaurant will include seven employees. The manager, will be responsible for overseeing the other employees and focus on the financial aspect of the business. Two shift managers, will assist the manager and oversee the shifts of the employees. The four employees will work in the kitchen, serve people, work in the cash register, and do the cleaning. Employees will be treated fairly and will be well trained. I will make sure to incorporate skillful management strategies, so that my business will be successful. My employees will be polite, and hard working. They must all work together, to complete everything that needs to be done.

III. PROPOSED MARKETING/PROMOTION PLAN

A & B. PROPOSED PRODUCTS & PRICING POLICIES

Quizno's sub's menu will include items such as submarine sandwiches, flatbreads Soups, and salads. My main competitors will be Scarfone's coal fired pizza, Salad creations, and Muffuletta. The prices of Quizno's sub will be more affordable than my other competitors. This will be a fundamental asset that will contribute to the success of my business. My competitor's advantage is that they are already well established at the Promenade and have frequent ongoing customers. An advantage that my franchise will have is that we also do catering for events and delivery, which is very convenient for our customers. The price of items at Quizno's sub will vary depending on the item and size.

Classic Subs	Small	Large	Signature Subs	Small	Large
Turkey Ranch & Swiss	\$4.59	\$6.99	Mesquite Chicken	\$4.99	\$7.59

Pork Cuban	\$4.79	\$7.29	Southern BBQ Pulled Pork	\$5.19	\$7.99
Honey Bourbon Chicken	\$4.59	\$6.99	Double Cheese steak	\$5.19	\$7.99
Tuna Melt	\$4.59	\$6.99	Chipotle Prime Rib	\$5.19	\$7.99
Veggie	\$4.59	\$6.99	Peppercorn Steakhouse Dip	\$5.19	\$7.99

Salads	Small	Large	Flatbreads	Large
Chicken Caesar	\$3.19	\$5.99	Smoky Chipotle Turkey	\$3.00
Cobb	\$3.19	\$5.99	Bistro Steak Melt	\$3.00
Harvest Chicken	\$3.19	\$5.99	Veggie	\$3.00
Caprese Chicken	\$3.19	\$5.99	Cantina Chicken	\$3.00

SOUPS	Cup	Bowl
Broccoli Cheese	\$1.79	\$2.79
Chicken Noodle	\$1.79	\$2.79
Chili	\$1.99	\$2.99

C. PERSONAL PROMOTION

Once Quizno's sub is operating smoothly, I will host a "Grand Opening" to promote the restaurant. Balloons and signs will be placed outside of the business and in the front of the Promenade of Coconut Creek plaza. Free samples and coupons will be offered during this event. We will also be offering a free small sub with a purchase of any medium beverage. Aside from the many incentives that will be available, I will purchase newspaper advertising and send direct mail advertising to help promote the event. My business will also accept deals from Q Club members. The Q Club is Quizno's online club in which customers can sign up to receive exclusive deals, coupons, and news via text or email. Registration is very easy and anyone can

sign up. All you need is an email address or a mobile number and some basic information like your name, and birthday. You will also have to select your local Quizno's sub by entering your zip code and receive a free cookie on your birthday.

D. NON-PERSONAL PROMOTION

I will use various methods to promote my newly opened business. **Social media advertising** will be used to inform people when the grand opening will be held and to promote my new business. A Facebook event page will be created, so that people can receive updates about the opening and news about my business. Social media is very popular and almost everyone has one. Creating a Facebook event page will successfully inform people about my business in a more appealing manner.

Print advertising is another type of personal promotion that will be used. I will place a newspaper ad in the Sun-Sentinel to inform the readers of this newly opened franchise and to promote the grand opening. Upon having the Grand Opening, there will still be newspapers ads for a period of three months. This newspaper ad will also have cutout coupons that offer a free small soup or salad with purchase of any large classic sub, free flat bread with the purchase of any large signature sub, and a free Kidz sub with the purchase of a beverage. The newspaper ads will be a beneficial factor in my promotional plan because people who don't use a social media or don't have Internet, read newspapers to find out the latest news and current events. These advertisements will help promote Quizno's Sub to my target market.

E. PLACE

Most of my business supplies will be purchased through Restaurant Depot, a local supply company. Quizno's corporate will provide all the food needed. At Quizno's Sub, customers are

able to eat in the restaurant, order online and pick up, or get their food delivered. A customer will have to spend a minimum of \$8.00 to get his or her food delivered. A delivery fee of \$2.00 will also be required. Both credit cards and cash will be accepted. Quizno's will also offer catering for events, parties, and meetings. Regular and large sized trays of subs, flatbreads, and Toasty Torpedoes, as well as salad bowls and a variety of sides are available. We also provide plates, napkins, and forks; so that customers will have everything they need for an event.

IV. PROPOSED FINANCIAL PLAN

A. PROJECTED INCOME/CASH FLOW

2012-2013 CASH FLOW	1 st QUARTER	2 nd QUARTER	3 rd QUARTER	4 th QUARTER
Minimum Gross Income*	\$56,000	\$58,120	\$62,100	\$63,350
<u>Expenses</u>				
Loan Payments (\$2,612/mo)	\$7,836	\$7,836	\$7,836	\$7,836
Royalty Fee (4%) (4.0%/mo)	\$2,160	\$2,244	\$2,364	\$2,334
Rent (\$3,000/mo)	\$9,000	\$9,000	\$9,000	\$9,000
Employee Payroll (\$9,200/mo)	\$27,600	\$27,600	\$27,600	\$27,600
Owners Draw (\$2,900/mo)	\$8,700	\$8,700	\$8,700	\$8,700
Utilities (approx. \$700/mo)	\$2,100	\$2,180	\$2,310	\$1,850
Insurance (\$250/mo)	\$750	\$750	\$750	\$750
Legal/Accounting Fees (\$150/mo)	\$450	\$450	\$450	\$450
Licenses/Permits (\$350/yr)	\$350	\$0	\$0	\$0
Supplies (\$1,100/mo)	\$3,300	\$3,300	\$3,300	\$3,300
Total Expenses	\$62,246	\$62,060	\$62,310	\$61,820
Net income/loss before taxes	(\$6,246)	(\$3,940)	(\$210)	\$1530

B. PROJECTED THREE YEAR PLAN

3 YEAR FINANCIAL PLAN	YEAR 1	YEAR 2	YEAR 3
Yearly Net Profit After Tax	\$239,570	\$287,484	\$316,232
Expenses			
Term-Loan Payments (10 years)	\$31,344	\$31,344	\$31,344
Royalty Fee (4%)	\$9,102	\$10,012	\$10,512
Rent	\$36,000	\$36,000	\$36,000
Employee Payroll	\$110,400	\$110,400	\$110,400
Owners Draw	\$34,800	\$38,280	\$40,194
Utilities	\$8,440	\$9,284	\$9,748
Insurance	\$3,000	\$3,000	\$3,000
Legal/Accounting Fees	\$1,800	\$1,800	\$1,800
Licenses/Permits	\$350	\$350	\$350
Supplies	\$13,200	\$14,520	\$15,246
Total Expenses	\$248,436	\$254,990	\$258,594
Yearly Profit or Loss	(\$8,866)	\$32,494	\$57,638

C. CAPITAL AND REPAYMENT PLAN

The primary investment in a Quizno's sub franchise is between \$300,000 to \$450,000. This amount includes everything you need to open and covers the franchise fee and equipment package.

In order to invest in Quizno's sub, I am required to have a capital of at least \$100,000. I currently have a personal net worth of \$70,000 and I plan on investing this entire amount. My parents have also decided to contribute \$30,000 to help with my business. In total, I will have \$100,000 of my own money to invest for this franchise. I will also be required to borrow \$225,000 from the bank. I plan to repay this loan over a period of ten years. The interest rate will

be fixed at 7.5%. I will pay monthly installments of \$2,612 totaling \$313,440 in 120 months. This loan will cover the rest of my required investment and provide me with an extra \$20,000 to keep on top of my business in case of any emergencies. I will also have a credit card that will allow keeping financial and purchase records in order. It will also provide me an emergency cash pool that will be available when needed.

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VI. APPENDIX

