

# **BUSINESS PLAN**

## **Capitola Tap House**

401 Capitola Ave.

Capitola, CA 95010

February 14, 2023

## **Executive Summary**

### ***The Company***

Capitola Tap House is a take-out restaurant with self-pour draft craft local beer, wine, hard kombucha and organic kombucha located in the heart of Capitola, California. The goal is to provide an enjoyable and inviting space for locals and tourists alike to come together, sample local craft beer, and appreciate the beauty of the Capitola area. I am passionate about creating an atmosphere that encourages community and a unique and exciting experience to the city of Capitola – a takeout restaurant with a self-pour taphouse. This concept has become increasingly popular in the past few years, and I believe it would be a great addition to the city. The self-pour taphouse will provide customers with a fun and interactive experience. They'll be able to sample each selection before making their purchase, allowing them to make an informed decision about what they'd like to drink. The self-pour revolution will add a modern touch to my establishment that will increase foot traffic, drive up sales, reduce waste, and make my operations overall more efficient. Self-pour technology can surely add a unique differentiator. Our menu offerings will include an extensive selection of craft beers, wines, and small plates of food. We will also host special events, such as beer tastings and educational seminars, to further support our commitment to craft beer and wine appreciation.

### ***The Ownership***

The Company will be structured as a sole proprietorship.

## ***The Management***

The management team at Capitola Tap House consists of experienced entrepreneurs who are passionate about draft craft beer, wine and kombucha appreciation. The team consists of a general manager, assistant manager, and 6-8 staff. For delivery drop off, in front of the business location on the street, two parking spaces are designated for a 24 minute parking/loading zone for receiving deliveries. For storage concerns, All beer/wine are set up in 5 gallons to 15 gallons inside the walk-in cooler, and there are plenty of storage shelves. The second story has plenty of room for storage. Green waste management offers bigger size garbage/recycle containers to meet higher waste demand as necessary.

## ***The Goals and Objectives***

Capitola Tap House will have a total start-up cost of \$250,000. This includes the cost of remodeling and improvement costs, licenses, equipment, and supplies. The business will generate revenue through the sale of drinks and food. This take-out restaurant and self-pour taphouse establishment will also generate revenue through special events, such as beer tastings and educational seminars.

Capitola Tap House aims to add a fun place for local residents and visitors to stop for some drinks (non alcohol and alcohol drinks are featured on two walls and daily fresh small plates for pairing with drinks. The Capitola Tap House business will enhance the residents' quality of life. Many residents and visitors have expressed positive interest regarding this new business in Capitola, especially the incorporation of alcohol beverages into our business model. This is an ideal location for residents to gather and meet their neighbors and enjoy social circles. Capitola Beach draws many visitors and vacation renters to this area. The City of Capitola Village parking lots, and street meter parking provide parking to the visitors who come by my business while on their way to the village, as we are not a point of destination, but a stop on the way to or from the Village, and many people would be able to take advantage of our take-out option. This business will not generate more than usual car traffic, or spillover parking in the neighborhoods, as can be confirmed by our previous statement on not being an immediate point of destination, but a business on the way

to the Capitola Village. This business is surrounded by recently rezoned vacation rentals and separated by the mixed use village zone.

Open hours are 11am to 8pm (summer and winter business hours may vary).

### ***The Products and Services***

Capitola Tap House offers self-pour draft kombucha, specialty tea, nitro cold brew coffee, beer and wine on tap and daily fresh food.

### ***Pricing Strategy***

The Company will make use of an economy pricing strategy.

### ***Ownership Background***

Owner: Amy Cheng

Experience and training: Amy Cheng has many years of experience in the food and drinks business. She has degrees in nutritional food and science from UC Davis.

### ***Company Management Structure***

The Company will be managed by the general manager, assistant manager and staff.

### ***The Products and Services***

Capitola Tap House offers draft kombucha, special tea, cold brew coffee, beer and wine on tap and local source and organic small bite sized food.

### ***Location Analysis***

The business is located in a bustling commercial beach town and is minutes away from the prominent Capitola Village.

## ***Advertising***

The Company will promote the business through:

- Online channels (website, Google ads, etc.)
- Email marketing (newsletters, brand story, etc.)
- Social media
- TV or radio ads
- Print (magazines, flyers, etc.)

The annual budget for advertising is: \$15,000.00.

## ***SWOT Analysis (Strengths/Weaknesses/Opportunities/Threats)***

### ***Strengths***

Customer service, cutting edge technology in the self-pour are critical success factors and they give the business its competitive advantage.

### ***Weaknesses***

The location is driven by tourists, summer, warm, sunny weather.

### ***Opportunities***

There is an opportunity to promote brands and products to the community. Bring education about the benefits of Kombucha healthy drinks and efficiency of self-pour technology.

### ***Threats***

Common threats include things like rising costs for goods and products, increasing competition and current labor shortage.

## ***Operations***

### ***Daily Operations***

The business hours are open to the public from 11am to 8pm. This business is family friendly to locals, visitors and services of all ages. This business has family friendly hours and limited crowds after dark and avoids noisy crowds around the nearby residential neighborhood.

## ***Operational Facilities***

Capitola Tap House offers indoor seating, outdoor seating, and daily fresh small plates healthy choice of food. Self-Pour Technology card key check-in manage and control alcohol consumption include the following: (1) keeping track of consumption; (2) measure portion drink sizes; (3) limiting to no more than 2 standard drinks per person at a time. (4) Signs posted "No Open Containers past controlled outdoor seating area. staff serve free samples of kombucha on draft outdoor mobile carts within the property Boundary and digital signage inside the building.

## ***Staffing***

The Company has a 8-20 person staff, including a general manager, part-time and full-time staff. Staff check ID at the POS counter.

## ***Zone Commercial/Residential***

Capitola Tap House business is separated by Trestle Boundary Zoning Central Village and Neighborhood Commercial. Central Fire Station is on the right, Trestle is on the left, Riverview Ave Beach Vacation Rentals directly behind. Capitol Ave is a major commercial business, public transportation and traffic artery. This business is surrounded by Central Village Zoning. Outdoor dining seating and visuage signage are important for businesses in central village and neighborhood commercials. Capitola Tap House is limited to 6 outdoor seating. Proposal for additional seats and additional parking space nearby becomes available.