



Do Or Donut LLC  
Carson & Paxton Witt  
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#### Business:

Do or Donut LLC is a partnership between myself and my husband. We have set up our state sales tax license, or EIN number, and we are currently getting the correct insurances for our company and getting more information on the State reemployment Assistance Tax. We are working under the South Dakota Cottage Food laws which allows home bakers to make and sell goods out of their home without needing a food license with stated restrictions. The restrictions include:

- Non-temperature- controlled food prepared at a residence;
- Home -processed canned goods;
- Baked goods prepared at a residence; or
- Any food product prepared at a residence and authorized

Exemption from needing a license includes -

- The seller, or a person residing at the seller's primary residence, personally delivers the food to the buyer at the completion of sale. \*\* Therefore, the delivery process does follow the allowed guidelines.

We have all of the operating equipment that we would need to begin this business as well as receipts providing the start up costs. We, as of right now, make yeast raised donuts in flavors glazed, vanilla, chocolate, maple. We also have options of multiple toppings, mystery donuts of the month, holiday donuts, donut holes, and gluten free donuts. We also have blueberry and pumpkin spice cake donuts. Our pricing of our donuts is based on researched data from similar businesses in the surrounding areas within the Black Hills.

There is a need for this type of business in the surrounding areas of the Black Hills. Lou Lou's Bomdigitty's is one of the only donut establishments, which is the nearest option for the members of the Deadwood community to have donuts daily ( with Jacob's Brewhouse having a limited selection on occasion ). The delivery option that our business has provides convenience for the community of Deadwood, but also the surrounding communities as well. This business is also not a full time endeavor due to being limited on production time because my husband and I have full time jobs along with this. The state of South Dakota also limits the amount of revenue that we can have with a " cottage food law " business which is \$5,000 a year.

#### Management :

My husband and I are a partnership in the company. We have no other employees and we each split 50/50 responsibility for the needed tasks.

#### Market:

As said before, this community would benefit from having a donut establishment due to the fact that there is only one company that makes donuts on a daily basis. Also, the delivery option makes it more available to not only Deadwood, but the surrounding communities as well.

#### Money:

This portion of our business plan is one in the making. We have a cap on revenue due to this only being a “cottage food law” business. As a first time business owner, this restriction really gives us an outlook on the long term success of a donut industry in the town of Deadwood, SD and it will give us an idea if this is something that we would like to invest more time and money into and possibly expand in the future. We have all of our POS systems set up with our pricing and the 4.5% sales tax included - until July 1st when the state of SD changes it to 4.2%.

#### Consultants:

Over the past months of designing our business, we have met and learned from multiple professionals that have structured our business to be successful. We have discussed the best options with tax professionals to help with our bookkeeping and our financial structure. We have discussed with the South Dakota Small Business Development Center to help with our business plan, possibly financing options, and advice on beginning the business. We have discussed with a marketing team for the best options to market our company as well. It has been very helpful to use all of the community resources that the Black Hills provides to start our first business.

#### Delivery Process:

We will be delivering donuts Monday, Wednesday, Friday, and Saturday. Mon/Wed/Fri we will deliver from 6:15 am -7:15 am, Saturday is TBD with each order. We will make all of the orders before delivering to ensure that there is no constant traffic through our residential street. We deliver with our personal vehicles that we have made into our business vehicles that way we don't need to have any other space taken up by new vehicles. All of the actions that would need to be understood by my neighbors are already the actions that I do before I go to work in the morning. We like to have as little impact on our neighborhood that we possibly can to not be a nuisance.