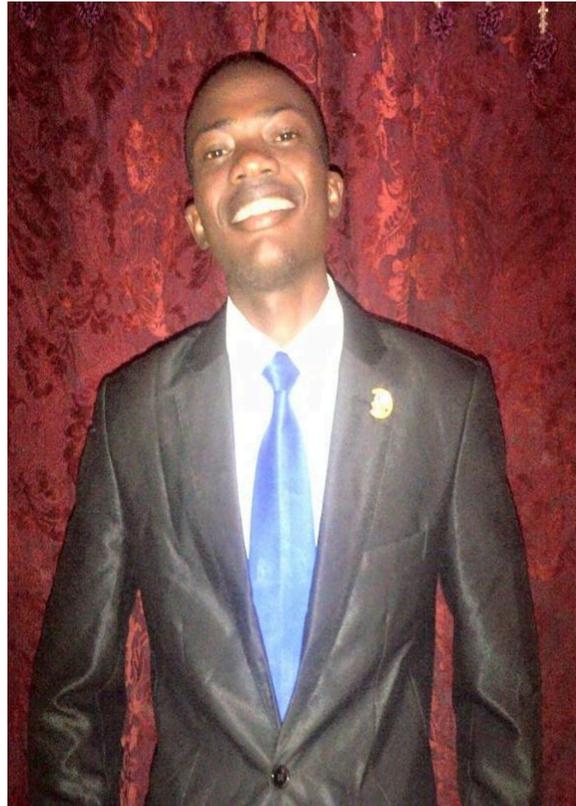


# Fontaine Beverages Business Plan

Banda Nicholas



## **DESCRIBE YOUR BUSINESS:**

Fontaine Beverages supplies clean and purified drinking water to households and businesses. We have a total number of 59 clients whom we supply on a two-week basis and 11 on a monthly basis. Our goal is to expand the clientele pool of loyal clients by adding 100 clients to our existing ones. Therefore, the grant will be used to purchase new water bottles and packets of water sachets, marketing, and other operational costs to meet our target.

The grant will help to meet the demand that so far, we cannot accommodate due to a lack of financing opportunity in our area. Once we have reached the target of 159 clients, the projection shows an increase in income generation.

In today's busy world, we save our clients time by delivering our products to their places. For this reason, Fontaine has been receiving referrals that we are failing to meet. This grant will help to meet the demand that so far, we cannot accommodate so far due to a lack of financing opportunities and high interest rates in our area

**EXPLAIN THE PROBLEM.**

One of the biggest problems in the areas where Fontaine operates is the pollution of water bodies with effluent and industrial waste. Additionally, water-borne diseases like cholera are a challenge, and drought. Furthermore, proximity to clean water and finally, lack of piped running water.

**EXPLAIN YOUR SOLUTION.**

Fontaine beverages have short-term, medium, and long-term solutions to the above problems. In the short-term solution so far, we have partnered with two companies that purify drinking water. These companies supply Fontaine with products that we later supply to our clients. We have also partnered with a transportation company in some areas, that helps to deliver products to our clients who cannot easily access water due to distance.

With a medium-term solution, once Fontaine's net profit improves, we will sink boreholes near communities where piped water is not available. Then the communities will be purchasing this product for home use only as we provide bottled water and sachets for drinking. We did a market test a few months ago, and the result was more than we anticipated.

Our long-term solution is to build a water plant that will be purifying and supplying water to communities. This will be achieved in partnership with local water supply companies, local government, and the Ministry of Water and Sanitation. We have envisioned that these solutions will help to reduce waterborne diseases and vandalism of water facilities, and will improve people's health.

**BUSINESS MISSION STATEMENT:**

providing quality, and reliable water services to our communities.

**HOW LONG HAVE YOU BEEN IN BUSINESS?**

We have been in this business for the past 20 months

**YOUR NET INCOME**

**SERVICE OR PRODUCT DELIVERABLE:**

Fontaine Beverages provides drinking water to households, businesses in communities. We have partnered with Acton and Aquavita, who supply us with water that we sell to our clients by delivering it to their homes. We charge a 10% minimum fee for delivering to their doorstep.

**DESCRIBE YOUR BEST CUSTOMER:**

We supply to individuals, businesses, and Households. Our best customer is a family of more than five people and businesses with a good number of employees above 8.

**WHY CUSTOMERS DO BUSINESS WITH YOU RATHER THAN WITH YOUR COMPETITORS?**

We have a few advantages over our competitors. First, we do not have one selling point. Fontaine beverages go to customer's homes and business places, therefore saving them time. In this way, we build relationships and trust with all our clients. Second, we provide them with our own empty bottles for free. Normally, a client has to buy both a bottle and water as a complete product. This is very expensive despite the bottle could be reused later. We contact our clients regularly to find out whether they still have water or not so that we deliver. We are exceptional in our customer service. This has made us unique from all competitors.

**WHAT IS THE MOST COMMON CAUSE FOR A BUSINESS LIKE THIS TO FAIL?**

First the cost of transportation. Since we deliver to our clients and cost of transportation has been increasing. This cost may be passed to consumers, which would make our products more expensive. And we could lose some clients who are price sensitive. Second, Since Fontaine beverages depend for now, on companies we have partnered with for the products to be delivered. It is highly risky when these companies decide to terminate the contract due to policy disagreement.

We don't sell our own products; therefore, we have no control over these products. If these companies we have partnered with decide to cut production, increase prices, fail to run the business, or change in management, we could be affected badly.

On deliveries, we rely on the firm we partnered with. If they have issues with their vehicles, it would be difficult for us to deliver on time. This could cost our firm. In short, if our partners become ineffective, our company could fail as we depend on them.

### **HOW CAN YOU AVOID THIS PROBLEM?**

For a short-term solution, we have planned to increase our sources of supply by partnering with three more water purification companies. This will help to ensure an uninterrupted chain of supply should one or two companies be unable to supply us with products. Secondly, in the long run, we will procure the company's vehicle so that we can deliver by ourselves. Furthermore, we will diversify into home-use water supply. This will be done by sinking our own bore-hole. This will be only for home usage. These measures will help to achieve our long-term goal of purchasing domestic water purification machinery and later industrial one we that we could begin our own production.

### **LIST YOUR SERVICES OR PRODUCTS AND THEIR PRICES:**

<b>PRODUCT</b>	<b>PRICE</b>
WATER BOTTLES	\$2.12
SACHETS (PACKETS OF 20)	\$0.89
TRANSPORT	10% of any product purchased.

### **HOW DO CUSTOMERS KNOW THAT YOU EXIST?**

Customers know of our existence through their friends. We get referrals quite often. I also talk to people about my business. I encourage people I work with to do the same. Through these ways we get customers to sell our products to.

### **WHY DID YOU CHOOSE THIS BUSINESS:**

My country has been struggling with cholera outbreaks every year and it is due to consuming contaminated water. This has caused an outcry among communities to access clean water. Therefore, I thought to take this opportunity by providing clean safe drinking water. Second, water as a product is consumed by every living thing. So, this makes water a very valuable product and guarantees future demand.

### **LIST YOUR TOP WAYS TO FIND NEW CUSTOMERS:**

Word of mouth, online platforms, and distribution of fliers.



*Offloading of water from Acton truck to a hired light truck ready to delivery to different.*



*This is the light truck we hire for deliveries.*



*Bottles of water are delivered to one of our clients' homes (a drop point).*



15 bottles of water were delivered to another client's home.

**HOW WILL YOU USE THE MONEY? (Include pictures of the product/Services (s))**

1. We will use \$433.80 to purchase 180 empty bottles of water.

2. We will use \$306.00 to refill 340 bottles with water.
3. We will use \$53.9 to purchase 110 sachets of water



4. \$156.62 will be used to buy a POS machine



5. \$41.36 rent for 4 months.

**Insert pictures of the income statement here:**

Month	9 Months Ago	8 Months Ago	7 Months Ago	6 Months Ago	5 Months Ago	4 Months Ago	3 Months Ago	2 Months Ago	Last Month	Month 1 Forecast	Month 2 Forecast	Month 3 Forecast	Total
<b>Sales revenue</b>	\$ 298.93	\$ 358.07	\$ 303.70	\$ 334.37	\$ 320.30	\$ 419.98	\$ 394.30	\$ 386.73	\$ 345.32	\$ 517.98	\$ 776.97	\$ 932.36	\$ 5,389.01
<b>Total transactions or units sold</b>	215	247	222	240	231	291	270	270	241	640	640	640	4147
<b>Revenue per transaction or unit</b>	\$ 1.39	\$ 1.45	\$ 1.37	\$ 1.39	\$ 1.39	\$ 1.44	\$ 1.46	\$ 1.43	\$ 1.43	\$ 0.81	\$ 1.21	\$ 1.46	\$ 1.30
<b>Expenses</b>													
<b>Self salary</b>	\$ 24.14	\$ 24.14	\$ 24.14	\$ 24.14	\$ 24.14	\$ 24.14	\$ 24.14	\$ 24.14	\$ 24.14	\$ 26.55	\$ 26.55	\$ 26.55	\$ 296.91
<b>Employee salaries</b>	\$ 34.48	\$ 34.48	\$ 34.48	\$ 34.48	\$ 34.48	\$ 34.48	\$ 34.48	\$ 34.48	\$ 34.48	\$ 37.93	\$ 37.93	\$ 37.93	\$ 424.11
<b>Raw materials</b>	\$ 142.25	\$ 168.18	\$ 145.27	\$ 159.01	\$ 152.55	\$ 197.53	\$ 184.78	\$ 182.32	\$ 162.78	\$ 182.31	\$ 204.19	\$ 228.69	\$ 2,109.87
<b>Store Rent</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12.06	\$ 12.06	\$ 12.06	\$ 36.18
<b>Technology</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Advertising</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transportation</b>	\$ 29.89	\$ 35.81	\$ 30.37	\$ 33.44	\$ 32.03	\$ 42.00	\$ 39.43	\$ 38.67	\$ 34.53	\$ 41.44	\$ 49.72	\$ 59.67	\$ 467.00
<b>Loan repayment</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50.00
<b>Taxes/Fees</b>	\$ 0.26	\$ 0.34	\$ 0.26	\$ 0.30	\$ 0.28	\$ 0.39	\$ 0.38	\$ 0.36	\$ 0.32	\$ 1.00	\$ 1.00	\$ 1.00	\$ 5.89
<b>Other</b>	\$ 11.72	\$ 14.01	\$ 18.61	\$ 21.04	\$ 12.03	\$ 19.11	\$ 24.60	\$ 12.10	\$ 12.90	\$ 13.55	\$ 14.22	\$ 14.93	\$ 188.82
<b>Total Expenses</b>	\$ 242.74	\$ 276.96	\$ 253.13	\$ 272.41	\$ 255.51	\$ 317.65	\$ 307.81	\$ 292.07	\$ 269.15	\$ 314.84	\$ 345.68	\$ 430.84	\$ 3,528.78
<b>Expense per transaction or unit</b>	\$ 24.27	\$ 27.70	\$ 25.31	\$ 27.24	\$ 25.55	\$ 31.77	\$ 30.78	\$ 29.21	\$ 26.92	\$ 31.48	\$ 34.57	\$ 43.08	\$ 352.88
<b>Net income to reinvest</b>	\$ 56.19	\$ 81.11	\$ 50.57	\$ 61.96	\$ 64.79	\$ 102.33	\$ 86.49	\$ 94.66	\$ 76.17	\$ 203.14	\$ 431.29	\$ 501.53	\$ 1,860.24
<b>Net Profit Margin</b>	19%	23%	17%	19%	20%	24%	22%	24%	22%	39%	56%	54%	

## Cashflow.

	2 months ago	last month	this month	next month	month 3	month 4	month 6
<b>Income</b>	\$ 386.73	\$ 345.32	\$ 517.98	\$ 776.97	\$ 932.36	\$ 1,212.07	\$ 1,575.70
<b>- Fixed expenses</b>	\$ (58.62)	\$ (58.62)	\$ (64.48)	\$ (64.48)	\$ (64.48)	\$ (83.82)	\$ (108.97)
<b>- Loan payment</b>	\$ -	\$ -	\$ -	\$ -	\$ (50.00)	\$ (50.00)	\$ (50.00)
<b>- Variable expenses</b>	\$ (233.45)	\$ (210.53)	\$ (197.00)	\$ (281.20)	\$ (316.36)	\$ (411.27)	\$ (328.09)
<b>Profit (or loss)</b>	\$ 94.66	\$ 76.17	\$ 256.50	\$ 431.29	\$ 501.52	\$ 666.98	\$ 1,088.64
<b>Starting cash</b>	0	94.66	\$ 170.83	\$ 427.33	\$ 858.62	\$ 1,360.14	\$ 2,027.13
<b>Available cash</b>	\$ 94.66	\$ 170.83	\$ 427.33	\$ 858.62	\$ 1,360.14	\$ 2,027.13	\$ 3,115.76

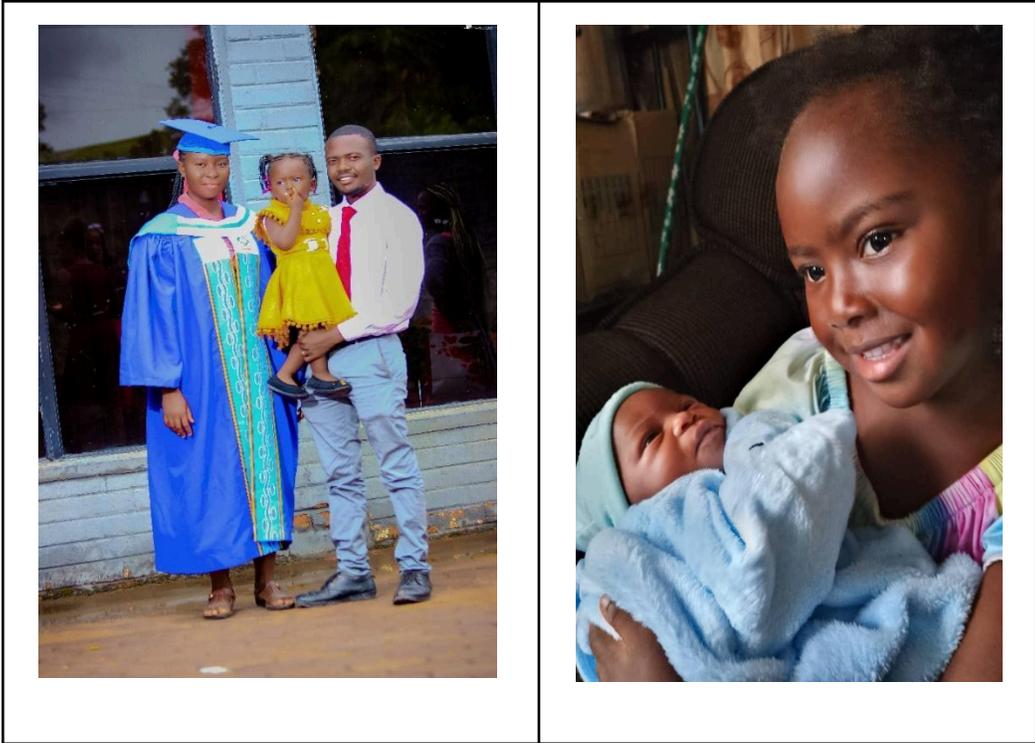
## What have you done with the profits?

We have reinvested most of our profits back into the business to support growth, improve service delivery, and expand our operations.

## Share about your family and picture here:

I am married to Florence Thukuza Banda. Together we have two children a girl and a boy. Our daughter, Nthembe Alice Banda is three years nine months old and our boy, Mwenzhi Mutale Banda is only two months old. My wife is a mathematics teacher by profession. I am pursuing a degree in Business Management at BYU Idaho.

<i>My wife is in her graduation gowns.</i>	<i>My daughter is with her brother.</i>
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*My son was two days after his birth.*

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