



Business Plan

Prepared by

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For

Bonnie Bumble's Farm Shop and Tearoom

Cockle Edge Farm
Ingbirchworth

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Executive Summary

The family farming business of WH Brook and Sons has seen many changes and challenges over the generations and has responded to these over the years.

The business has not been immune to the pressures on the dairy farming sector, and has recently undertaken a review of the business activities and the skills and experience of the family members to give the business direction over the next decade or more.

Part of the result of this review is that the business is looking to create a high quality farm shop and tearoom at Cockle Edge Farm which is situated on the A629 just to the south of Ingbirchworth.

The shop will be operated by husband and wife team Edwards and Anita Brook, and will employ up to five full time equivalent staff, with some skilled labour such as a butcher and baker.

The farm shop and tearoom will sell a wide range of quality locally sourced products many of which will be prepared on site. The shop will source local dairy products, a full range of meat and meat products with beef from our own family farm, and local fruit and vegetables where these are available. An on-site bakery will produce fantastic morning goods and other breads as well as some savoury products and cakes. A great deal of time has been spent by family members researching other farm shops both locally and further afield to see what they sell and to look at the layout so that a farm shop and tearoom can be created that gives the customer an enjoyable shopping experience and a nice environment to stop for a drink and some food.

Customer service will be at the heart of the farm shop and tearoom. The aim will be that customers feel valued and experience a warm and inviting atmosphere in the shop and tearoom such that they want to come back. Many consumers do not know about the food they eat and in some cases how to prepare it. The aim of the shop will be to tell the story of the food on offer to customers and to encourage them to ask about it.

The farm shop and tearoom are integral to the sustainability and growth of the overall business.

Introduction

The dairy farming business of WH Brook and Sons is operated by my father, my brother Robert and myself Edward, and in response to the financial pressures of the dairy industry we have considered the need for the business to diversify. We have looked at the skills and resources open to us as a family and have concluded that we should open a farm shop. Therefore, the aim of the project is to establish a high quality farm shop and tearoom serving fantastic local food at Cockle Edge Farm which is located on the main A629 road between Huddersfield and Sheffield just to the south of the village of Ingbirchworth.

The shop will be operated by myself Edward and my wife Anita. We have a young family and have become increasingly aware of the requirement for good quality food at value for money prices helping and promoting healthy eating and the benefits of local produce both to the local economy and the environment. Edward is involved in the family dairy farm, and before their two girls came along Anita owned and ran a successful hair salon.

The shop will stock our own beef and a wide range of products prepared on site and locally sourced produce. We will source other meats and products from local suppliers; we are farmers and have excellent contacts with other farmers to source the animals that we need for the shop. We will prepare many of the products on the premises for sale. We will have a bakery on site producing morning goods, speciality breads and a range of cakes. The tearoom will serve a range of drinks and simple to prepare food (sandwiches, snacks and drinks) using the products from the shop. The shop will offer locally produced foods and will become an outlet for other local producers' products. We want to build a business around quality local food and drink for local people.

The shop will employ full time qualified butchers and bakers along with a number of part time personnel responsible for serving customers in both the shop and the café. Customer service will be paramount in everything that we do. We have been planning to establish a farm shop for some time and we are keen to use our personal skills and friendly nature to create a warm and inviting atmosphere for our customers with efficient and courteous staff without being overbearing. The aim will be to create a first class experience for our shop and tearoom customers and leave them with a feeling that they have been somewhere they wish to come back to again soon.

It is important to us that we feel we would be adding a service to the area particularly for the many people travelling the A629 regularly. We have identified commuters, parents and young children, third age group and people who are prepared to travel to purchase quality local produce as our target market.

The position of the shop and tearoom is in a particularly attractive setting and we would be making the most of the surrounding countryside as a feature of the experience of visiting the venture. We anticipate that some of the people using the country walks in the area and the leisure facilities at Scout Dyke will come to the tearoom and shop, and that this will add to the overall appeal of the area to these people. The design of the shop and tearoom will optimise

the features of the location such as the views across the fields whilst being in keeping with the local area. Therefore, our aim is to create a fabulous farm shop selling good quality local produce which is really at the heart of the countryside and can truly be called a 'farm' shop

As a well-established farming family in the area we are very aware of the current changes in agriculture and the need to add value to the products we produce. The farm shop would be utilising our own dairy products and home reared beef. We have identified links that may be made into the local farming community to source other items which will be offering a useful outlet for our fellow farmers.

Anita's strengths are in customer service and this is where we feel we will score highly as we wish to make a friendly, happy place for people to enjoy. We are keen to work together on this project as we both like meeting people and want the venture to be a success. The business will be a partnership.

Background

WH Brook and Sons is a family dairy farming business based at Wheatley Hill Farm. We also farm at Green House Farm and Cockle Edge. The family has been farming in the local area for 85 years and family members have a wide and close network within the farming community.

The business has developed over the last 85 years from 100 acres and a herd of 20 cows to the present size of 350 acres over three farms and 350 cows.

Over the last 10 years we have seen declining income from the dairy herd declining in a similar fashion to all dairy herds in the UK. The business has been bottling milk for sale to doorstep delivery rounds-men, but a review of this business showed that the returns on this aspect of the business were poor for the time and capital employed. At this time we also looked at the resources and skills available to the farm and to the options for new business ventures. Edward has the business skills and the time available for the development of a diversification. In addition to this Edward and his wife Anita have a young family and have become increasingly aware of the market for local food and healthy eating and have developed a keen interest in this area. Anita has run a hair-dressing business for 18 years before starting the family and has good experience of dealing with customers and staff. The conclusion of the review and looking at the skills available to the family was that we would cease the milk bottling operation and look at the setting up of a farm shop at Cockle Edge Farm.

Cockle Edge was owned by Edward's maternal grandparents who farmed all their working lives. They too were dairy farmers with their own herd, milking the cows as well as bottling and delivering the milk. Edward's grandfather gave up dairy farming at 75 years of age but continued to look after stock at the farm. When he died three years ago he left half the buildings and land to Edward's mother and with the location of Cockle Edge Farm, along with the skills of both Anita and Edward we feel that this would make the ideal location for a successful farm shop.

Market History

For centuries farming and food have been intimately connected. It is only in the last 40 to 50 years that urban communities, as they have grown, have lost their connection with where and how their food is produced. Some of this lack of connection has been brought about by the trends in retailing from smaller local shops to large multiple retail outlets, and in particular the growth of the supermarket sector in the last 20 years or more.

However, in the last 10 years there has been a great deal in the popular press about our lack of connectivity with the food we eat and the drive to promote healthy eating from local and national government as well as through education and the NHS. This has resulted in a resurgence of interest in our food and has led to a growth in the number of people looking for good quality locally produced food and drink that is fresh healthy and nutritious.

Indeed it is interesting to note that many of the multiple retailers are attempting to capitalise on this by including local sourcing in their product ranges and have 'producer testimonials' on their packaging. However, as multiple retailers, their produce will always struggle to be regarded as local in comparison to true local food retailers and farm shops.

The interest and growth in farm shops over the last 10 years has been huge. This has been driven by both the interest in local foods, and equally as importantly the difficult financial situation within farming and the opportunity for diversification that farm shops and local food production presents to the farming community. The whitewashed stone walls of a farm outbuilding selling produce from the farm were the starting point, but today's consumer is expecting more from the farm shopping experience, and as a result the new generation of farm shops has evolved. Farm shop customers today are able to enjoy pleasant surroundings whilst they shop along with the quality of food that they are looking for.

Anecdotal evidence suggests that many food lovers and those looking for local foods are prepared to travel short distances to find what they are looking for and are loyal customers when they find the quality and consistency of quality that they are looking for. There is also a growing number of food fanatics – 'foodies' – who are prepared to travel further to sample foods from other areas.

As more people become more aware of the food that they are eating and the healthy eating message is recognised more fully there is likely to be increasing demand for locally produced foods and the need for farm shops and other local retailers to deliver this to the educated and discerning consumer.

Products and Services

It is clear from the research that we have done in visiting other farm shops and talking with people within the retail industry that a successful farm shop needs to have a wide range of products to attract customers, and that these have to be presented in a professional way in attractive surroundings. Shoppers are used to the 'one stop shop' and we wish to have a full range of products so *that the shop becomes the 'one stop food shop' for our customers.* We also want these products to be presented in a pleasant, welcoming and friendly environment to give a good shopping experience.

The farm shop and tearoom will sell a wide range of quality locally sourced products many of which will be prepared on site. We will source local dairy products, a full range of meat and meat products with beef from our own family farm, and local fruit and vegetables where these are available. The on-site bakery will produce fantastic morning goods and other breads as well as some savoury products and cakes. We have spent a great deal of time researching other farm shops both locally and further afield to see what they sell and to look at the layout so that we can create a shop and tearoom that gives the customer an enjoyable shopping experience.

Our aim is that as much of the produce that we sell in the shop will have local provenance. We are keen to develop working relationships with local suppliers, and are already in informal discussions with a number of other farms in the area to supply us with pigs and lambs for the shop. We will make use of the local slaughter facilities (N Bramall and sons at Oxspring) with the aim of maintaining the local nature of the products.

We have looked into sourcing ingredients for the bakery and there are a number of small artisan millers in the area which we will look to buy ingredients from for speciality, but we will also buy flour from the bigger millers for the conventional products that we buy, but will specify that we want flour from wheat grown in the Yorkshire and Humber region.

Preparation of meat and meat products will be carried out at the shop. We anticipate employing two butchers, one with experience, and the other as a trainee or apprentice to learn the skills of the trade. We plan to produce a wide range of cuts and products from the traditional 'Sunday Roast' joints through to the quick to cook pre-prepared cuts that the busy but health conscious households of today are looking for. We will also produce high quality sausages in response to the growing market for these along with new and novel meat products making use of marinades, stuffings and coatings.

The bakery will produce a wide range of breads, savoury and sweet products. We will include the staples and classics, but will also be looking at some craft and artisan products, and will also look to produce a range of products from traditional recipes that will appeal to today's customer.

The shop will have a delicatessen area and whilst we will be able to produce some of produce for this ourselves, this will only be a small proportion of the products. We will look to source locally produced cheeses and other deli products where these are available. There are a number of award winning pie

manufacturers in the area (e.g. John Crawshaw at Stocksbridge and Toppings in Doncaster).

We are looking to source a selection high quality fruit and vegetables from local suppliers. This will be difficult to achieve as there are few growers of these products in the immediate area, and therefore we will have to go further afield to find these products.

The tearoom will sell simple to prepare food making use of the products sold in the shop. In this way we can tie the two parts of the business together and encourage our customers that if they have tried a product in the shop for the first time, they can take some more home for later.

As with the farm shop, the tearoom needs to provide a good experience to the customers using it – a nice environment to stop for a drink and some food. With a young family of our own we are keen that the shop and tearoom in particular are family friendly.

Customer service will be at the heart of everything that we do. We want our customers to feel valued when they are with us. We want to create a warm and inviting atmosphere in the shop and tearoom such that customers want to come back. We are aware that many consumers do not know about the food they eat and in some cases how to prepare it. We want to be able to tell the story of the food that our customers are buying and encourage them to ask us and our staff about it.

The products that we will sell will have a number of features and associated benefits. We will capitalise on these features to highlight the benefits to our customers and differentiate ourselves from the high street and multiple retailers.

For example, a feature of the beef that we sell will be that it is from our own herd of beef cattle reared specifically for the shop. The benefit to the customer of this is that they understand that the beef is locally sourced and therefore there is a reduced environmental impact of our beef over imported beef and the money that they are spending is staying in the local rural economy.

A further example of our beef is that it is of high quality and will be hung for three weeks in order for it to mature and develop additional taste and tenderness as a result of being hung. The benefit to the customer is that they will enjoy superior tasting beef that is tender and succulent.

A feature of some of our produce will be that it is sourced from other local farmers and suppliers and again the benefit to the customer is that they will enjoy good quality food knowing that they are helping local business and the money that they are spending is staying in the local economy.

The following table is a list of the types of products that we will be selling in the shop and the tearoom and an indication of whether these are produced and / or prepared on site, or purchased from suppliers.

Product	Produced and prepared or Supplied
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Meat	
Traditional, beef pork and lamb cuts	P
Traditional pork and beef sausage	P
Contemporary cuts of beef, pork and lamb	P
Chicken and chicken products	P
Home produced range of oven prepared pork beef and lamb products – e.g. cushions, kebabs, burgers, marinated products	P
Quick cook chicken dishes – cushions	P
Mince	P
Game when in season	S
Bacon	S
Bakery	P
Traditional breads and bread products	P
Speciality breads	P
Savoury pies	P
Sweet and fruit pies	P
Large and cup cakes	P
Scones and bread cakes	P
Traditional hot and cold meat pies	P
Confectionery	
Deli	
Cooked meats	S
Cheese	S
Coleslaws and dips	P
Other Deli products	S
Dairy	
Milk cream and yoghurts	S
Eggs	S

Tearoom	
Sandwiches	P
Cakes and baked good from the bakery	P
Home made soup	P
Hot beverages	P
Cold drinks	S
Fruit and Vegetables	
Local Vegetables in season	S
Local Fruit in season	S
Other Fruit and Vegetables	S

Operations

Edward and Anita will jointly share the management of the business. We will also be responsible for the day to day operation of the farm shop and. We will be very much hands-on being involved with serving customers in both the farm shop and the tearoom, and it is likely that Edward will concentrate more on the management operation of the farm shop whilst Anita spends more time in the tearoom. However, both will have an understanding of the two areas of the business to cover for one another as necessary.

The farm shop will employ two full time butchers, one fully qualified, the other as a trainee, although it is likely to be in the second year of operation when the trainee butcher is taken on. Edward will also undergo some butchery training in order that he has an understanding of the techniques and skills required and can do some of the butchery work in the first year. The butchers will have an understanding of the origins of the meat that they are preparing and selling and will be given the opportunity to visit the farms and get to know the farmers producing the meat for us wherever this is possible. This will allow them to talk first hand and personally about the products to our customers.

The tearoom will have a number of part time employees; we initially anticipate two part-time employees during the week with an extra person at the weekend, rising to four part-time employees in the week and up to six at weekends and during summer holiday season and at bank holidays.

We anticipate having extra staff for the two to three week period before Christmas and will probably make use of family members for this period as well as redeploying the tearoom staff to the farm shop in this busy time.

Ordering of supplies will be the responsibility of Anita and Edward as will all of the paperwork associated with both the farm shop and the tearoom.

One of our aims is to provide high levels of customer service and achieve good customer satisfaction and repeat visits from our customers. To this end we will carry out any necessary training of our staff to equip them with the skills and knowledge necessary to achieve this objective.

Market

Our customers will be people who appreciate locally produced quality food. We have spoken with a number of farm shops and whilst much of their business comes from people in the medium to higher income brackets, the appreciation of food covers all the demographic sectors of our population. One of the criteria then is to be accessible to these people, and the location of the shop and tearoom on the main A629 makes this ideal. We see the shop and tearoom being a good meeting place for parents with young children during the week, families with children at the weekends, retired people and passing business travellers as well as being a place to shop for good quality food. We see our target market as people who are interested in locally produced food and fresh produce and would aim to have as much information as possible displayed about the products and where they have come from. This is an area we would like to capitalise on in the future attempting to bring the visitors closer to the primary food producers in the area and give them a greater understanding of the food they are eating and enjoying.

Competition

There are other farm shops and tearooms in the area, and have looked at ways of differentiating ourselves and perhaps complimenting these other establishments. but we feel that we are able to offer a better situation in open countryside than some of them and would be aiming at being 'family friendly' with a welcoming ambience and staff.

We have identified a number of local competitors as follows

Thorncliffe - range of meats deli and vegetables

Blacker Hall – wide range of meats with preparation on the site,, deli products, preserves, dairy, fresh vegetables, bakery. Upstairs is wine sales.

Hazlehead Hall – range of home produced meats with butchery and preparation of products on the farm / site. Small range of bakery, deli, preserves, some package goods, small selection of vegetables.

Rob Royd – range of meats, some home produced, some bought in, purchased vegetables, own bakery, purchased preserves and deli counter.

Hoylandswaine – range of vegetables – some grown on the farm, but quite a lot purchased from suppliers

Broad Close Farm – Silkstone – range of meats including traditional breed pork. Other meats purchased along with vegetables and preserves.

Cannon Hall Farm Shop – wide range of meat and bakery products many of them prepared in house. Wide range of deli products and huge range of preserves and other goods. – large tearoom on the same site

Round Green Venison Farm. Specialist shop selling venison from their own

farm along with some other meats. No other products sold

Netherton Farm Shop – Hinchcliffe's – based on chicken and beef

Deamleys Ice Cream Parlour and Tea Room

Delph House proposed Ice cream parlour and tea room

Cannon Hall Garden Centre – tearoom

Armitages Garden Centre and Cafe

Marketing and Sales

We believe that our main selling point is our location on the main Sheffield to Huddersfield road situated on a farm close to open countryside but conveniently located close to towns and villages in the area.

With regard to marketing for the shop and tearoom the most important factor is the location. Cockle Edge Farm is on the A629 road between Huddersfield and Sheffield just to the south of the village of Ingbirchworth and as such is well situated to serve both the local village communities as well as the communities of Penistone, Shepley and Shelley. The tearoom will attract passing trade as well as trade from customers visiting the shop and there are a number of public footpaths close to the site and we feel that the tearoom will be a welcome stop-off for walkers in the area. Scout Dyke reservoir is just a short walk from the site and we feel that the tearoom will add to the appeal of the site.

Local food and healthy eating will be the cornerstones of our marketing for the shop and tearoom along with excellent customer service. With the location, signage on the road side will be very important to the marketing of the shop and tearoom. We plan to take advertising the local press for the first 12 months, after which we will review the value of this. Our aim is to become affiliated to FARMA (the farm shops and farmers' markets association) and to join the Regional Food Group. We will have a 'brochure' website giving information on the products and services. We have seen a number of shops producing leaflets and newsletters, and like the idea of leaflets but need to give further consideration to the production of a newsletter.

We will brand the shop as Bonnie Bumble's. This branding will encompass all parts of the business and will be used in all advertising and literature and on the website. We will be looking to create a quality and contemporary feel to the branding and to the shop and tearoom spaces being attractive to a wide range of age groups.

The shop and in particular the tearoom will be of interest to visitors to the area. The Penistone Tourism Forum are actively seeking to promote the local area with its walking and access to the Trans Pennine Trail, and we will be talking with Yorkshire South (the area tourism partnership) about opportunities to market the business with them. The shop and tearoom will be on the edge of the Pennine Yorkshire area which is being actively promoted by West

Yorkshire Tourism Partnership as a destination for visitors to the area and very close to the South Pennine area being promoted by Pennine Prospects as a space for everyone from the regions townships to enjoy.

The last but most one of the most important parts of our marketing effort will be the shopping experience, and very much centred around the customer service and the quality of the products that we offer. Therefore, we will have encouraged shoppers and tearoom customers to come to us and we will make sure they have an enjoyable experience that makes them want to come back to us again.

SWOT and Risk Analysis

The following table shows the strengths and weaknesses of the proposed farm shop and tearoom along with the opportunities open to the business and the potential threats it could face.

Strengths	Weaknesses
Location of proposed shop and tearoom Own produce and own prepared produce Working relationship with other farmers Family backing Potential local suppliers identified Previous business experience Wide range of products for 'one stop food shop' Creation of local employment opportunities	Lack of direct experience of food retailing Lack of presence in the market Lack of butchery and bakery skills Dependence on Edward and Anita
Opportunities	Threats
Growing interest in food provenance Increasing interest in healthy eating Connections into local visitor market Passing trade from A629	Economic climate Growing 'local' offer from multiple retailers Difficulty in finding staff Notifiable disease 'closing the countryside'

Some of the weaknesses and threats can be examined under risk analysis, grading the degree of effect on the business and actions that can be taken to mitigate the risks can be noted.

Risk	Grade	Impact	Mitigation
Lack of direct experience of food retailing	Low	Medium	Will be able to build on existing skills and employ skilled staff where these are available
Lack of presence in market place	Medium	Medium	Need to ensure that marketing proposal are carried out and best use is made of opportunities to market the business
Lack of butchery and bakery skills	Low	Low	Training to be undertaken by Edward in particular.
Economic climate	Low / Medium	Low	Ensure that products and service and of the highest quality and review product ranges in light of customer requirement and feed back.
Growing 'local' offer from multiple retailers	Low	Low	Ensure that products and service and of the highest quality and review product ranges in light of customer requirement and feed back.
Difficulty in finding staff	Low	Medium	Ensure that training can be easily accessed for new employees to ensure minimal impact on business overall
Notifiable Disease 'closing the countryside'	Very Low	Medium / High	Proposed location mitigates this risk as on a main road and will still attract passing trade even if the 'countryside is closed'

Project Details

Financial Assumptions

We are budgeting for sales for year one of £100,000, in year two £200,000, and for year three £250,000. The budgets indicate a small loss in year one, with profitability being achieved in year 2 following the establishment of the business.