

BUSINESS PLAN

SHWE MANDALAY MYANMAR TRADITIONAL RESTAURANT



SOE MYINT TUN

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OF THE REQUIREMENTS FOR THE GRADUATE SCHOOL
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**The Business Plan has been approved by
Stamford International University
The Graduate School**

Title: Shwe Mandalay Myanmar Traditional Restaurant

Name: Soe Myint Tun

The Independent Study Committee:

Advisor



.....
) Dr. Kittichok Nithisathian(

Committee Member



.....
) Dr. Mark Rendon(

Committee Member



.....
) Assist. Prof. Dr. William P. Wall(



.....
) Mr. Adam Tyler Thompson(
Dean of Graduate School

June, 2017

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CHAPTER 1

EXECUTIVE SUMMARY

Shwe Mandalay Myanmar Traditional Restaurant will be served the best quality of Myanmar traditional food tastes. The company's vision is Myanmar traditional cuisines to be global famous food tastes by providing with the good quality of food products. The company's mission is to provide the customers with complete satisfaction service and excellent Myanmar traditional food tastes with health and fresh cooking styles. The company will be served convenient and relaxing dining experiences and decorated with Myanmar traditional handicraft products and materials. Shwe Mandalay Myanmar Traditional Restaurant is a medium sized business in Mandalay. Increasing the number of leisure and business tourists lead to higher demand for Myanmar traditional restaurant in Mandalay. It will be open seven days a week. Serving open hour is 10am – 10pm. Shwe Mandalay Myanmar Traditional Restaurant is currently preparing to operate in January 2018. The restaurant will provide the wide and variety traditional food menu and can serve for dining maximum 60 people.

The location of restaurant is on the main road and it is near the tourism area in Mandalay City. There is a market potential for Shwe Mandalay Myanmar traditional restaurant because of its location advantage. All of the employees are planned to hire and trained to serve the best service to customers.

The company's target market provide the wide groups of people such as tourists, business person and families who are looking for the Myanmar traditional food tastes with the excellent service. Its marketing plan focus to increase the customer and penetrate of the market and achieve the opportunities than the competitors.

Shwe Mandalay Myanmar Traditional Restaurant will be invested as the partnership business which is owned by 3 peoples. All of the investment of the restaurant will be equally divided into three persons. Shwe Mandalay Myanmar Traditional Restaurant's start-up cost is 78,000,000K. The company's net income come out around 5% of each year.

CHAPTER 2

VISION/MISSION STATEMENT AND GOALS

2.1. Vision Statement

Promote Myanmar traditional cuisines to be global famous food tastes by providing with unique service and the best quality of food products.

Mission Statement

Shwe Mandalay Myanmar traditional restaurant provide the customers with complete satisfaction service experience and excellent Myanmar traditional food tastes with health and fresh cooking.

2.2. Goals and Objectives

The main goals of Shwe Mandalay Myanmar Traditional Restaurant are

- To raise Myanmar traditional cuisines.
- To provide the menu with quality ingredients at reasonable price.
- To serve excellent service with customer satisfaction
- To operate successfully new Myanmar traditional restaurant.

The objectives of Shwe Mandalay Myanmar Traditional Restaurant are

- To achieve average 15% profits from the restaurant next three years.
- To provide quality meals and serve at least 30 people in one day at the restaurant.
- To expand a new branch restaurant the next five years.
- To gain and establish 15% market share in the traditional food industry next two years.

2.3. Keys to Success

- Repeat business; every customer who comes in once should want to return the restaurant.
- The menu will be created a wide and varied meals with a unique and innovative from the competition.
- Finding and hiring qualified chef and employees.
- Product quality; providing the real Myanmar traditional food with good tastes and excellent service.
- Location; to be convenient and to be close the company's target market.

CHAPTER 3

COMPANY SUMMARY

3.1. Company Background

Shwe Mandalay Myanmar Traditional Restaurant will be open seven days a week. Serving open hour is 10am – 10pm. The restaurant will be served the customers with real Myanmar Traditional meals for lunch and dinner in which will be provided the wide and variety traditional food menu with good tastes. All of food products and ingredients will be used the fresh and good quality products. The company focus on customer satisfaction with excellent food tastes and quality service that will make to customer feel welcome and warmly. The company's goal is to raise Myanmar traditional cuisines with health and fresh cooking styles and to serve convenient and relaxing dining experiences. The whole area of the restaurant will be decorated with Myanmar traditional handicraft products and materials. Shwe Mandalay Myanmar Traditional Restaurant is a medium sized business in Mandalay. All of the employees are planned to hire and trained in order to serve excellent and qualified service to customers. The company can serve for dining maximum 42 person at the hall and there are three family room that each room can serve 6 persons. The restaurant's place is quiet, peaceful and has 5 car parking spaces. The area of the restaurant is around 1300 square feet. The company's location has on the main road 19th street between 65th and 66th streets and this location can be easily searched and it is near the tourism area in Mandalay City. The company's target market provide the wide groups of people such as tourists, business person and families. The restaurant is planned to hold its grand opening in January 2018 in Mandalay.

3.2. Company Logo



Figure 3.1 Company's Logo

3.3. Company Ownership

Shwe Mandalay Myanmar Traditional Restaurant will be started as the partnership business which is owned by Soe Myint Tun, Thiha and Sai Aung Naing Oo. They invest the whole business expense of Shwe Mandalay Myanmar Traditional Restaurant. The start-up cost of Shwe Mandalay Myanmar Traditional Restaurant is 78,000,000K. In this business, only Soe Myint Tun held as the position of the Owner-Founder and he will manage the whole operation of restaurant business and his organization team. He studied Master of Business Administration at Stamford International University. He has 3 years of management experiences in this restaurant industry and he will control daily financial cash flows.

3.4. Management and Organization

Shwe Mandalay Myanmar Traditional Restaurant is a medium size business in which has a team with 21 employees. All of the employees will have qualified skill and experience about the restaurant industry. The company's organizational structure has as much as possible organize, reduce inefficient reporting, good communication and coordination. In the internal organization, all of employees must have together respect to each other team member and shares knowledge. The company has a plan to

hire well trained staffs and additional trainings are provided to be skill quality employees. The company is organized with a restaurant owner one person and each of general manager, cashier and accounting has one person and Chef one person and with three assistants and two helpers in the kitchen and has ten waiters at the hall and one security at the parking area. The company includes a restaurant owner who is manage over view operation of the restaurant and will have with internal or external good communication and can controls the financial flows. General Manager who has to manage the restaurant operation and must have responsibility on his job and good leadership skills. Cashier who has to manage cash and sales transactions and must have responsibility for calculation involving a lot of cash and in separating checks and deals with processes and settle payment of all restaurant transaction. Accountant staff who keep all the records of accounting for a restaurants such as food costs, capital expenses and financial statements and he also must has responsibility. Chef who has high quality skill and experience and primarily responsible for overseeing the operation of a kitchen. He has many duties of the kitchen such as design the menu, review food and beverage purchase and often train other cook workers. He has three assistants who are supervise the restaurant's cooks, prepare meals, ensuring the quality of different dishes and report results to the head chef. There are two helpers in the kitchen who have to prepare a variety of food items for cooking and retrieve food items from the fridge and clean any used kitchenware. The restaurant has ten waiters who have to serve to the customers with presenting a variety of menu options, advising on the best food, drink choices and taking orders and delivering them to the table, check the quality of final serving and deliver checks and accept payment. There is one security person at the restaurant who have to do the safely and security of the restaurant area and manage the car packing space and daily write the detail security reports.

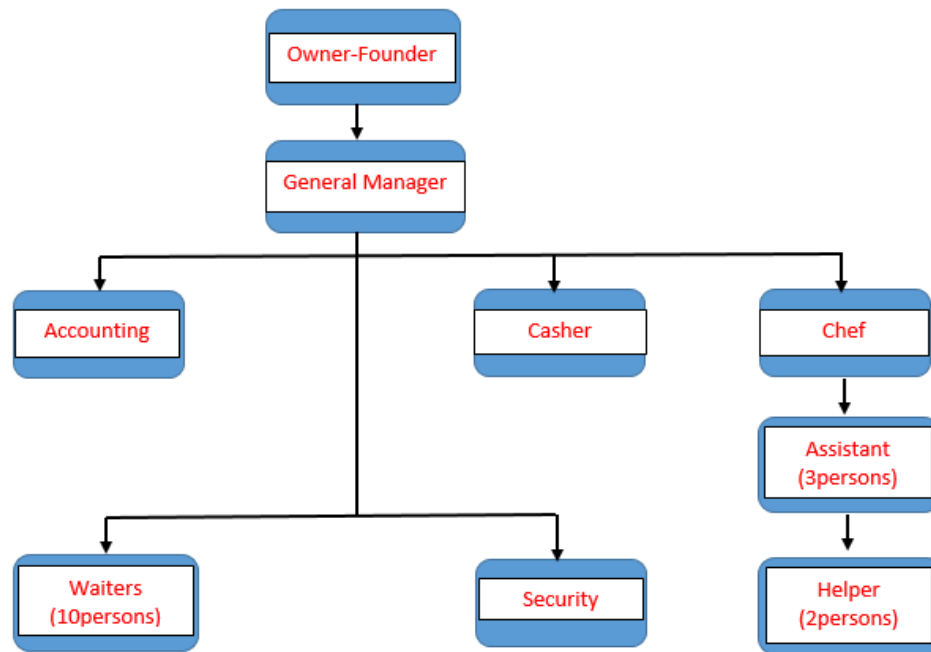


Figure 3.1 Organization Chart of Shwe Mandalay Myanmar Restaurant

3.5. Management Team

To operate the Shwe Mandalay Myanmar Traditional Restaurant, the owner-founder of the restaurant will be in attendance during normal business hours, 10 am to 10 pm. He will manage oversees the day to day operation of the restaurant and will have with internal and external good communication. Also, he can controls daily financial cash flows. He has 3 years of management experiences in this restaurant industry and he studied the Master of Business Administration degree at the oversea. Therefore, he can manage well his team.

General Manager is one of the important person at the restaurant. He has 10 years of experiences in operating a restaurant industry and achieved several prizes in previous works. He can manage all overseeing the entire operation of the restaurant, communicates with other partners and Chef. He studied the Master of Hospitality and Management program at the Yadanarbon University in Mandalay and he can speak well English. He will take care of ordering for service and managing the waiter staffs and also marketing and advertising. He has responsibility of maintain high standards of food, service, health and safety, recruit staff when needed and train and coach

staffs and efficient and profitable business performance of the restaurant. He has to set the standards of performance, enforces policies and deals with all issues of restaurant. Therefore, he can direct manage well all part of restaurant operation.

Chef has 15 years of experiences in the food and hospitality industry. He got the second prize award of master chefs program (traditional food) and he well know about the Myanmar traditional food Chef has high quality skill and experience and primarily responsible for overseeing the operation of a kitchen. He has many duties of the kitchen such as design the menu, review food and beverage purchase and often train other cook workers. He has been involved in the cooking profession all his life and worked as a head chef 5 years of experience at Hotel Mandalay in Mandalay. He can manage cooking and arrange the traditional food menu at the restaurant. He also has responsibility of maintain high standards of service, health and safety of food and sometime he can train and coach staffs of restaurant.

3.6. Personnel Plan of Shwe Mandalay Myanmar Traditional Restaurant

The personnel plan describe in good proportion to the size of the restaurant and projected revenues. The company has total 21 full time employees and their monthly salary payments are described;

Table 3.0.1 Personnel Plan of Shwe Mandalay Traditional Restaurant

Employees	Quantity	Salary (Kyats)	Total (Kyats)
Owner-Founder	1	780000	780000
General Manager	1	650000	650000
Chef	1	650000	650000
Accounting	1	286000	286000
Casher	1	286000	286000
Assistant Chef	3	286000	858000
Waiters	10	221000	2210000
Helper in Kitchen	2	169000	338000
Security	1	143000	143000

Total Employees	21	Total Salary (Kyats)	6201000
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3.7. SWOT Analysis of Shwe Mandalay Myanmar Restaurant

The SWOT analysis is a technique used to analyze the strengths, weaknesses, opportunities and threats of businesses and it provides a framework for helping the researchers or business to identify and analyze the current situation of business and to further identify the strategies of achieving them. (Ommani, 2011) SWOT analysis is used to determine the results from the external and internal business environment analysis and it can identify to distinguish the key issues and each elements helps to ensure that all relevant areas are considered. It is used as the evaluating the organization's business situation and identifying potential strategies for the future. SWOT analyses can serve to sort of business action such as exploring, new initiatives, making decisions about new policies.

Shwe Mandalay Myanmar Traditional Restaurant may serve the most traditional delicious food and provide the best service to customers. Thus, it is helped and identified to understand the business of internal and external factors in the restaurant industry by using SWOT analysis. The internal and external analysis of Shwe Mandalay Myanmar Traditional Restaurant are described as below;

Strengths

- Serving well qualified team with experience employees and chefs to our guests
- Provide delicious real traditional food of Myanmar with health and fresh cooking styles and menu set to customers.
- Offer to our customer wide menu with lots of choice of difference traditional food such as Kachin foods, Shan foods and Rakhine foods.
- Price is moderately and cheaper than other competitors
- Prepare comfortably seats in the restaurant and play traditional music and decorate traditional interiors such as traditional bamboo and materials
- Location of restaurant easily can be found and allow free Wi-Fi access
- Provide clean, tidy and pleasant environment of the restaurant

Weakness

- Recruiting and retaining skill quality employees
- New restaurant in area.
- Limited menu
- High training cost of employees

Opportunities

- New business establishments and close to tourist area.
- Easy to get always fresh food from the market because the restaurant location close to market.
- Has a few traditional restaurant in area
- Increasing tourism come to Mandalay.
- Government attention to develop traditional Myanmar food.
- Offer additional catering services

Threat

- Locating nearby City Mart Supermarket.
- Taxation change on the business by Government
- Competitors have loyal customers.
- Low to get experience skill employees
- Rising operating costs
- High competition

CHAPTER 4

PRODUCTS AND SERVICES

4.1. Product

Shwe Mandalay Myanmar Traditional Restaurant will provide the menu with Myanmar Traditional cuisines and ethnic meals in which will be involved salad, soups, noodles, side dish and main dish. All of the traditional foods are presented with the best quality ingredients by using the fresh and healthy products. The restaurant will be served the customer with Myanmar Traditional food tastes for lunch and dinner in which will be provided the wide and variety traditional foods menu. The restaurant will be served for dessert with pure traditional flavor drinks include traditional tastes to the customers. All of the food products will be set average comparable prices for meals and drink than competitors. The restaurant will be arranged in the menu in which first page of menu is provided with Myanmar Traditional food dishes and then other page will be added traditional dessert and the last page of menu might be involved with drinks and tea. In addition, menu of restaurant will be provided seasonable foods with fresh quality products. Customers can choose and prefer the foods based on their tastes. All traditional cuisines and desserts are less from cholesterol and absence of chemical products. Some of Myanmar traditional food list menus are described the below;



Figure 4.1 Menus of Shwe Mandalay Myanmar Traditional Restaurant

Source: www.Sarmae.com, 2015.



Figure 4.2 Dessert and Soft Drink Menus of Shwe Mandalay Restaurant

Source: www.Sarmae.com, 2015.

4.2. Service

Shwe Mandalay Myanmar Traditional restaurant is planned to open seven days a week and serves the customers with Myanmar Traditional meals for lunch and dinner. The Opening time of the restaurant is from 10 AM to 10 PM daily. The restaurant will be served the full service that the customer from reservation to table service and till they leave from the restaurant. The restaurant will be provided the best taste of Myanmar traditional food and quality service that will make to everyone feel welcome and warmly. All of food products will be used the fresh and good quality products. The company focus on customer satisfaction that is the company's goals. All of the Chefs and employees will have the work experience about the restaurant. The company will provide training program them to become the skill staffs. There is a

hall with 11 tables in which can serve for dining maximum 42 persons and behind the hall there are three Family rooms that each room can serve 6 persons. The restaurant has 5 car parking spaces. The restaurant is had the reservation that is need for group dinner such as business dinner and family dinner. The whole area of restaurant will be created with Myanmar traditional atmosphere by using local traditional products. Especially, the family room of the restaurant will be created with the different types of decoration and different state name such as Shan state, Kachin state and Rakhine state. Every room have to be decorated with Myanmar traditional handicraft material. For example, inside Shan state room have to be decorated with Shan traditional handicraft products. All of staff must wear the traditional Myanmar costumes every day except in the kitchen staffs. The restaurant will be used the dim light with energy saving interior decoration because it is to reduce electricity costs of the restaurant.

CHAPTER 5

MARKET ASSESSMENT

5.1. Market Analysis

In Myanmar, Mandalay city knows as the center of Myanmar culture city. It was outstanding in the past and still continuing as the culture city. It is Myanmar's second largest city and situated about 600 kilometers north of Yangon on the Ayeyarwaddy River. The town had been founded 29 years earlier in 1857 by King Mindon and making it the capital of an independent kingdom for less than 30 years. (History of Mandalay, 2017)

In addition, Mandalay city has diverse and numerous historical, cultural and natural tourist attraction sites. In 2011, new government enhanced the reformation of political, economic and social. Today, Myanmar tourism sector is currently significant growth and has been identified as a priority sector of the government. It has the potential to contribute to employment creation and economic growth. After 2008, the number of foreign tourists in Myanmar has increased from 0.76 million in 2009 to 0.79 million in 2010, 1.06 million in 2012, 2.04 million in 2013, 3.08 million in 2014 and 4.2 million in 2015. (Myanmar Tourism Statistics, Ministry of Tourism) Mandalay City received 300,000 foreign visitors came to the city in 2015 and 400,000 tourist visitors came in 2016. (Yadana, 2016) Moreover, Consult Myanmar estimated that the number of tourist visitors in Myanmar will reach 7.47 million next four year. (Thiha, 2016) Tourism sector impacts on society with the different ways such as the labour intensive sector that can be provided the employment and revenues, infrastructure development and construction of hotels, restaurant and resort. And then this tourism industry includes the hotel sector, tour operators, tour guides, restaurants, souvenir shops and airlines that value chain impact on potential economic growth on society and environment of country. Myanmar development of the Tourism Master Plan 2013-2020 which was released at the World Economic Forum in June 2012. So, The Ministry of Hotels and Tourism insisted on going for high-growth the tourism industry to 7.48 million by 2020. This would see tourism receipts increase from US \$543 million in 2012 to \$10.18 billion in 2020 which the industry could comprise

1.49 million jobs. (Ei Ei Thu and Thomas Kean, 2015) With this increasing trend, the restaurant industry also become developing in Mandalay City.

The restaurant industry is a large and diverse business and also have a lot of competitors. According to Myanmar Restaurant Association (MRA), there are 174 restaurants in Mandalay. Myanmar cuisines are served mainly with rice and a wide variety of meal, seafood and vegetables. In typical Myanmar meals are included main dish, side dish, soup and salad. Generally, types of restaurant can be classified into fast food, casual and fine dining restaurants. The majority of the restaurants are casual, ethnic and fast food restaurants. Most of Myanmar restaurants are casual restaurants that serve cooked curries and side dished with rice but some of restaurant have lack of English Menu and capable to explain about the dishes. So, Shwe Mandalay Myanmar Traditional Restaurant will provide well service and quality food for both foreign and local customers.

5.2. Market Need

The company location area is needed a great of Myanmar traditional food restaurant for the tourism and local people. Customers desire high quality, healthy food that will appeal to traditional tastes and is provided in a comfortable atmosphere. Our food will be 100% fresh prepared and the company will be allowed the customers to customize their specific food tastes. In addition, they desire a memorable dining experience that provides them with the chance to relax. All of this need to be delivered to the customer and the company can be provided them with delicious and convenient meals.

5.3. Market Trends

Myanmar has numerous natural resources such as fertile land and water resources which provide the right environment for domestic food production. It is also geopolitically well positioned between China and India that are two of the largest food and beverage consuming nations in the world. This means the potential for Myanmar traditional food production and trade is significant. Myanmar's overall economic development agriculture for almost 50 percent of GDP and 75 percent of Myanmar's workforce. (Phyo, 2014) Myanmar political and economic reformed and opened up the country in 2015. So, increasing the number of visitor in which most of

foreigners looking for quality traditional taste and local food restaurant. Developing local consumer's knowledge with health consciousness and earn high income to be impacted on the restaurant. The rising of the population rate also is to become numerous competitor in the restaurant industry. One of the most important recent trends in restaurant industry is the rise of the interest in consuming healthier foods. For example, most of customer prefer to eat the organic foodstuffs. So, the company will be provided due to customer demand that more and more naturally grown, meats and vegetables and the company is well positioned to take advantage of this change. The city is rapidly increased economic and tourist visitors. There is building new 3 stars hotel near the company. So, the city is still expanding. The restaurant will be served for the right combination of service and quality to take advantage of this new market need.

5.4. Market Segmentation

Geographical

Shwe Mandalay Myanmar Traditional Restaurant locate on the main road 19th street between 65th and 66th streets which is near the tourism area in Mandalay City. The place is quiet, peaceful and convenience to rest. The company's location is closed the major tourism sites area such as Golden Palace, Mandalay Hill, Kuthodaw Pagoda (The World's largest Book) and Shwenandaw Monastery. Thus, if the customer want to eat lunch or dinner with the taste of Myanmar traditional food, they can easily find and come to the Shwe Mandalay Traditional Restaurant's location that is the company's advantage.

Demographic

Shwe Mandalay Myanmar Traditional restaurant emphasizes to increase the customer and penetrate of the market, enhancement of sales, achieve the opportunities than the competitors and identify the restaurant's strengths and weakness. The restaurant industry have a large business and also have a lot of competitors. So, the company must consider the specific market segmentation to achieve the goals of firm. The company make the three main market segmentation in this industry. Each of these three main market segmentation markets seek that they desire the requirements of healthy food, fast service, and pleasant atmosphere.

- People who work in the downtown area during the day and looking for good traditional food and convenience restaurants.
- Tourist who looking for Myanmar traditional taste of food and decoration and pleasant environment.
- Family who meet for the dinner at the restaurant and they want the excellent good food meals and friendly services.

5.5. Target Market

For the Shwe Mandalay Myanmar Traditional Restaurant business market, the company have to consider about specific target market segment in order to get the opportunities than the competitors. Today in Mandalay, the business economy is rapidly developed and the number of the tourist visitors are increased more than recent year. Most of high income earners group and tourists lead to higher demand traditional food restaurants. Shwe Mandalay Myanmar Traditional Restaurant is located on the main road and near the tourism area. This will encourage easy to find and come to the restaurant. A well-defined target market in the current state of the economy is more important than ever and specific targeting market allows the business much more affordable, efficient, and effective way to reach potential clients and generate business. (Porta, 2010) The company serves everyone to feel welcome and relaxed in a homely atmosphere with a wide and varied menu. The company's target market segments intends to provide to a wide group of people such as Family 25%, business person 25%, Tourists 35% and couple 15%.

Family – most of families meet at the restaurant because it is the perfect place for a family dinner. Families will come for the accommodative menu and friendly service. The company want to be a place where people meet each other and develop a social network that is the company's goal. The company provide them with the excellent meals and services in their worth day.

Business person – They work hard all day and often they don't have to cook time. So, most of business person find the healthy food restaurant. Healthy eating nutritious food is a good defense against stress and to reduce the symptoms of stress. The company provide them to relax and good healthy food who spend the most on drinks, food and tips at the restaurant.

Tourists – Tourists are the main target of the tradition restaurant because the company is located near the tourism area and they can afford easily to come and taste of Myanmar traditional food at the restaurant. The company will attract them with traditional decoration and layout using bamboo and provide them the wide traditional menu and excellent services.

Couples – Young couples are generally like to eat good food and sit having the romantic and sophisticated atmosphere but they won't be spending much money. These young couples meet each other at the restaurant. The company provide with beautiful decorate and pleasant environment to attract them.

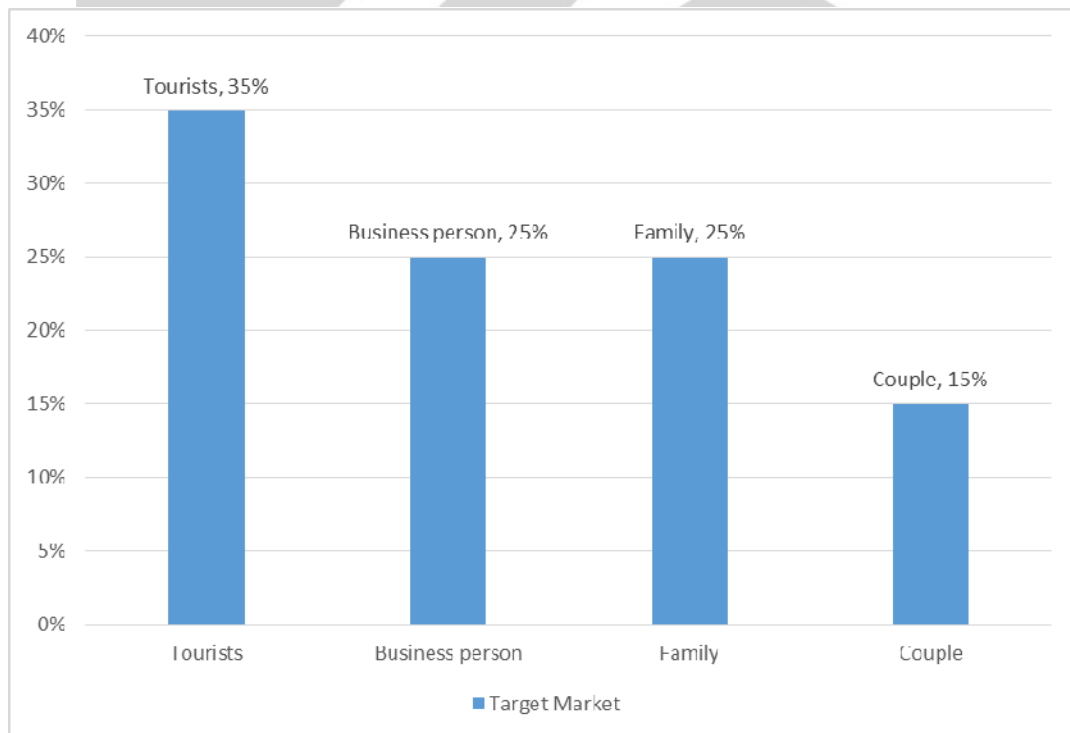


Figure 5.1 Target Market of Shwe Mandalay Myanmar Traditional Restaurant

5.6. Competitive Analysis

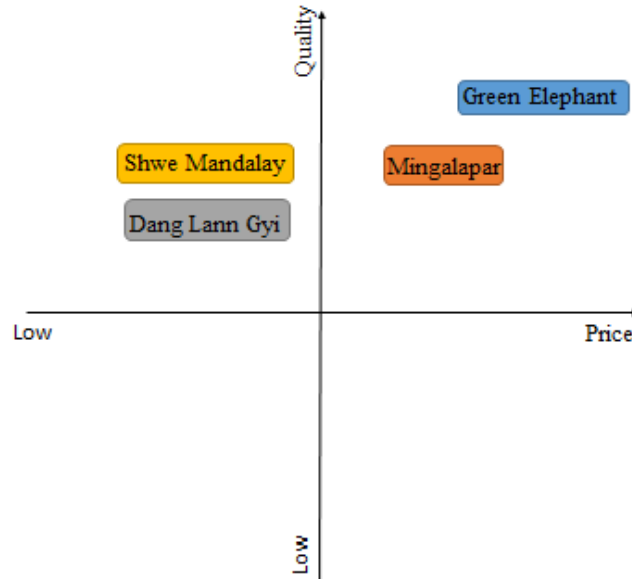


Figure 5.1 Position of Shwe Mandalay Restaurant

Shwe Mandalay Myanmar Tradition Restaurant is located near the tourism area and will be served delicious real traditional food taste of Myanmar with health and fresh cooking styles and menu set to customer that is our advantages. The restaurant will be provided all of the price meals that is moderate and cheaper than other competitors and has clean, tidy and pleasant environment of the restaurant. Shwe Mandalay Myanmar traditional restaurant might be considered well about the strengths and weaknesses of the competitors that can be turned to be our restaurant's opportunities and threats. Major competitors include Green Elephant, Mingalapar restaurant and Dang Lann Gyi restaurant. Each of these restaurants will be important competitors.

Green Elephant Restaurant



Figure 5.2 Green Elephant Restaurant

Source; www.greenelephant.com, 2011.

Green Elephant restaurant is located on 27th street, between 66th and 65th streets, Chan Aye Thar San Township in Mandalay and it is near the Golden Palace and Sedona Hotel. It is located closest to upcoming our Shwe Mandalay Traditional Restaurant. It is a famous Myanmar food restaurant and serve basically Burmese cuisine for tour groups and individuals. The restaurant is built as a historical Pyin Oo Lwin style building that its building attracts both local and foreign customers. The Green Elephant restaurant can usually get a slightly adapted version with dishes on request. A few tables are tucked within an air-conditioned and building decorated with Myanmar traditional materials and products. The food is good and service provided by well-trained staffs but does not have car parking area that is caused customers to become inconveniences when visiting to Green Elephant. The service hour is between 10am – 10 pm and open seven days a week.

Mingalapar Restaurant



Figure 5.3 Mingalapar Restaurant

Source: www.Mingalapar.com, 2014.

Mingalapar Restaurant is located on 71st street between 28th and 29th streets Chan Aye Thar San Township in Mandalay. There are a lot of hotels near the Mingalapar Restaurant but it is very far from Tourism area. The strength of Mingalapar Restaurant is large space, clean and friendly. It has a large car parking area and a breakfast menu. It is decorated inside the hall with traditional bamboo handicrafts and products. The food is good and serve with a veritable forest of side dishes. It offers special services such as events, tour groups and individual with their well-trained staffs. It has good atmosphere and interior decoration. The service opening hour is between 6 am to 9pm.

Dang Lann Gyi Restaurant



Figure 5.4 Dang Lann Gyi Restaurant

Source: www.Danglanngyi.com,2014.

Dang Lann Gyi Restaurant is located on 68th street between 33rd and 34th streets Chan Aye Thar San Township in Mandalay. It is a major competitor of Shwe Mandalay Traditional Restaurant. It is famous traditional restaurant in Mandalay and it serve the meals like as the royal feasting of yore by using a big circular bamboo tray with a stand that is the strength of Dang Lann Gyi restaurant but its place is quite far from the tourism area. It has second branch of restaurant in Mandalay. Dang Lann Gyi restaurant has been decorated a shop and furniture with traditional bamboo design and products. It is located in relaxed place with green scenery and it serve all of meals Myanmar traditional cuisine such as salads and dishes but it doesn't have car parking space. The opening hour of restaurant is between 10am – 9pm.

Shwe Mandalay Myanmar Traditional Restaurant serves the customer with unique service and traditional Myanmar food taste with using healthy cooking style that is used less oil and high quality ingredients. The company provide the customer

convenient decoration, location and parking space with green scenery environment and will make to deliver the best food at the best price with the highest level of service. If the restaurant's the value of the food, price and service is better than other competitors, the customer will likely to go to Shwe Mandalay Myanmar Traditional Restaurant that might be gotten the loyalty customers.

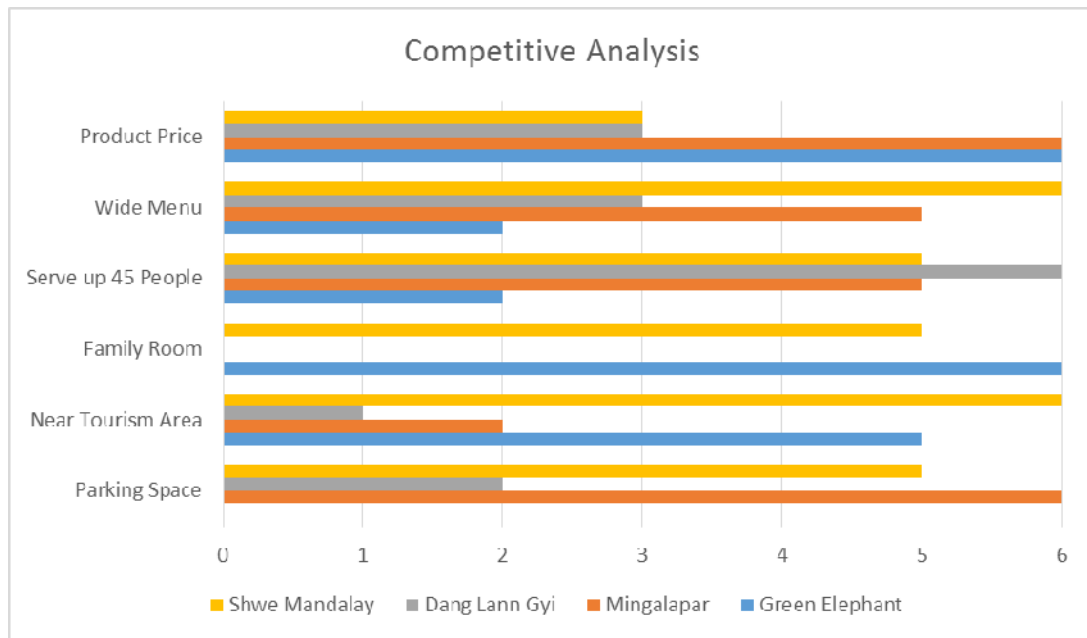


Figure 5.5 Competitive Analysis of Shwe Mandalay Myanmar Restaurant

5.7. Industry Analysis

5.7.1. PESTEL Analysis of Shwe Mandalay Restaurant

PESTEL analysis is a business tool that can help determine the external factors. It will impact on a business activities and performance. Specifically PESTEL analysis measures the political, economic, social, environmental and legal factors that impact a business. (Arline, 2014) PESTEL analysis of a restaurant can be useful to identify and determine the appropriate external environment factors for a business.

Political

In political factors, the new government policies reforms have opened up the economy of the country to outside investment. With this investment coming increasingly tourism industry in which most of foreigners looking for higher quality

tradition local food restaurant. So, the reformation of government policies effect on the macro environment of the restaurant business. Also, Myanmar Government encourage to develop SMEs (small to medium enterprises) business, tourism industry and public health business. Due to the political stability in Myanmar become favorable environment for the investment of restaurant business.

Since 2011, tourism sector is rapidly increasing because of reformation the government policies and soft relation with the Western countries and US. So, the generate development of the hospitality industries and the economic activity such as travel agents, airlines and other passenger transportation service effect on the restaurant industry. According to WTTC, Myanmar tourism industry in 2016 contributed 3.0% of GDP, generated 804,000 jobs and USD 2.1 billion of investment in 2016. (WTTC, 2017)

Economy

In economic factors, Myanmar economy is rapidly growing since 2015 because of new government policies. Myanmar has a market of more than 50 million consumers but the purchasing power is still weak. The economy is still increasing due to political opening and welcoming of foreign investors. Most of foreign investor become interesting to invest in Myanmar. There is a few number of multinational companies operating in Myanmar. Labor costs are very low, it is one of the lowest amongst ASEAN but there is a lack of skilled labour. The GDP growth of Myanmar is running on 6-8% yearly pace for upcoming five years. (Coopers, 2015) The new Government interested and willing to re-join the international community and align with international standards. Myanmar Ministry of Hotels and Tourism announce the tourism master plan project that the total number of foreign tourists visiting will be between 2013 and 2020 to be at least 20.4 million and 29.2 million tourists at the World Economic Forum in June 2012. (Thu, 2015) The Government of Myanmar wants the country to become a prime tourism destination that bear a significant potential for economic and human development. Tourism impacts on society in many different ways such as the labour intensive sector provides the employment and revenues, infrastructure development and construction of hotels and resort. These tourism industry include the hotel sector, tour operators, tour guides, restaurants, souvenir shops and airlines. These tourism value chain impact on potential economic

growth on society and environment. According to World Travel and Tourism Council (WTTC), over the coming 10 years, Myanmar's tourism industry will rank second out of 184 countries for long-term growth. (Economic News, 2016) So, it is to become and create further growth opportunities for the traditional restaurant industry in Myanmar. These economic growing of the country can directly affect the establishment of the traditional restaurant.

Social

In Social factors, today most of consumer are educated in the relation of health lifestyle food products that are diet products to healthy products.. Shwe Mandalay Myanmar Traditional Restaurant have to consider about the social and cultural changing. The company have to respond the social trend about the consumer's health lifestyle food habits. Increasing consumer's knowledge such as higher health consciousness and high income could be the opportunity for the restaurant. They look for good quality food and check the food products. The population growth rate also is the one of the important factor of the business because increasing population can emerge a lot of competitor and restaurant in this industry. The company will prepare the meals with low calorie food such as healthy food according to customer choice. The company have to provide healthy menu than other competitors.

Technology

In this factors, Technology is one of the important external factor that impact on the establishment of Shwe Mandalay Myanmar Traditional Restaurant. Various popular restaurants use the social and IT technology for the publicity advertisement. The social network is playing an important role in the marketing of restaurants. The company have to consider about the public relation by using technology such as the website and social media account. So, the company must have a website or Facebook for people know and easy to find the restaurant and need to listen what consumers want. The company will add the detail of food product, promotion, photos, location, menu and price range that could be the attraction of the potential customers. The company can also get customer's feedback, behaviors and online booking from the website and social media that is reduced the cost of company. Today Myanmar people rapidly increase the internet usage both rural and urban area in country. The spread of

internet and social media help the company that the information of company easily direct reach to the consumers.

Environmental

In environmental factors includes the environmental issues in ecological environment, external factors and government sector of the restaurant. Climate change become important in the restaurant industry of Myanmar. Within recent years, there were a lot of climate change and occurrence of natural disasters affect the economic sectors including restaurant industry in Myanmar. Severe climate can affect the lack of raw materials, freshness of foods and people lifestyle that impact on the restaurant industry. So, the company will provide the changing and difference menus in line that depend on the changing weather condition to be customer satisfaction. In Governments sectors, they have various rules and regulations to keep the food healthy and nutritious for people. The company need to consider about the government's rules and regulations to keep the food healthy and nutritious for the customers in this restaurant industry and the company have to check the rising rates for corporate environment programs. So, the company aware and prepare for these environment threat.

Legal

In this factor, there are various government agencies in Myanmar which are working for the supply and quality of the food products such as FDA (Food and Drug Administration).

They have many implementation some specific rules and regulation to control the supply and provision of food products in the restaurant industry. The company have to face the regulation not only about food products but also wages and welfare of the employee law. So, the company have to keep the quality of food which are healthful for the people and take care of the welfare of the employee. Due to the company business type is the medium size business (SME), the company can get benefits of streamlining legal procedures, technical and financial supports from the Government sector. The company need to do the registration and pay taxes to the Mandalay City Development Committee (MCDC). Another legal issue impact the

restaurant industry that is the setting up of minimum wages law of employees. This law can affect cost of Shwe Mandalay Myanmar Traditional Restaurant.

Therefore, PESTEL analysis can identify difference important external factors in the restaurant business that affect the organization. The company need to consider all factors of PETLE analysis to achieve success restaurant with health awareness.

5.7.2. Porter's Five Forces of Shwe Mandalay Myanmar Restaurant

Porter's Five Forces Analysis describes the external competitive environment of the firm and it helps to avoid the risk and makes ensure the profitability of business on long term.

Porter's Five Forces is a powerful tool in which involve the analyses the level of five important external factors in a specific industry and understand the advantage of a situation of strength and weakness to avoid the wrong steps. (Unknow, 2016) In the Porter's Five Forces includes Supplier power, Buyer power, Threat of new entry, Threat of new substitutes and Rivalry. Shwe Myanmar Traditional Restaurant is identified to understand the external sectors by using Porter's Five Forces Analysis. Each of forces involve the impacts of competition in the business industry that are described below;

Bargaining Power of Suppliers (Low)

The bargaining power of suppliers is a reversal of the bargaining power of buyers. The suppliers of raw materials, labor and expertise services have power over industries. Supplier power shows the impact of supplier on the firm. Bargaining power of supplier is very weak in the restaurant industry because the number of suppliers are large and all of raw materials can get easily to find in the market such as vegetable and meat and the cost of raw materials is cheap. So, there is low cost of switching and switching products of substitutes for suppliers.

- Low the power of suppliers
- Low the cost of raw materials
- Low cost of switching of suppliers
- Large number of suppliers
- Switching products for substitutes

Bargaining Power of Buyers (High)

Buyer's bargaining power is very strong because large number of customer size and less of switching costs when choosing different restaurant to dine. Nowadays, customers are very well informed about quality, prices and offers in the restaurant industry. There are many substitutes to firms such as consumers can choose other street foods, bakeries and cook at home.

- Less switching costs
- High availability of substitutes
- Large number of customers

Threat of new entry (High)

The external threat of new entry is high. Low entry barriers are presented because of opening a new restaurant capital requirement is moderate. Consumers can easily to move toward new other restaurant because of switching costs. The product differentiation is weak because all of restaurants are providing the highest quality product and good quality service.

- Low entry barriers
- Moderate capital cost
- Low switching costs
- Product differentiation is weak

Threat of new substitutes (High)

The Threat of new substitutes refers to products from outside of the industry. Threat of new substitutes is high in restaurant industry because competitive pressure from the suppliers that offer substitute products. Cost of change could lead to consumers shifting to the other shop such as grocery store and bakeries or consumers can cook their food at home. These substitutes are competitive in terms of quality and consumer satisfaction in this industry

- High substitution of products
- Price change

Competitive Rivalry (High)

There are many amount of competition in the restaurant industry such as fast food, cafes and grocery store which are grow rapidly and increase. That's why competitive

rivalry is high. Having loyalty customer that could be competitive force, so if a firm provides the unique service, promotions and difference quality, it will get more loyalty customers. Consumers can easily move toward other new restaurant because of switching cost.

- Number of competitor
- Quality differences
- Switching Cost
- Customer loyalty



CHAPTER 6

STRATEGIC IMPLEMENTATION

6.1. Sale Strategy

The strategy is to build and get more customers in order to increase revenue. So, Shwe Mandalay Myanmar Traditional Restaurant will focus on making all of customers happy with food and service. The company will offer some of the established sales strategies such as discounts cards or coupons. The company will provide training programs to build skill staffs than the competitors that training include with materials to train the employees about the service attitudes, customer perception and how to handle customer complaints. In the future, the company will access the online delivery service in order to convenient the customer and increase the sale target by using technology. In addition, the company will be provided sale awards such as to get the TripAdvisor Certificate of Excellence Award in order to increase of the company of sale and to maintain every customer comes and wants to return the restaurant.

6.2. Marketing Mix Strategy

Price

The company's pricing strategy will focus on providing the quality fresh food and services. In order to penetrate into this industry market, the company will set average comparable prices for meals and drink than competitors. Although cost-plus pricing is used, the company will set low profit margin on the meals and beverages. So, the company provide the flexible pricing strategy on the products and offer the best services to the customers. The company will take the advantage of credit terms with the suppliers and control to reduce the other expense such as water and electricity. It will help to increase the profit. However, the company's low pricing strategy is just temporary strategy that is to penetrate in this new market restaurant industry. The company's future pricing strategy will be provided high price to increase revenue and the success of the company.

Place

Shwe Mandalay Myanmar Traditional Restaurant will be located on the main road 19th street between 65th and 66th streets and near the tourism area in Mandalay City. There is a City Mart Shopping Centers and mini local market. The place is quiet, peaceful and have for car parking area. The space of the restaurant is around 1300 square feet and have enough with maximum capacity to serve 60 customers at a time. And also, the company can provide 5 car parking spaces. The company's location is closed to major tourism sites area such as Golden Palace, Mandalay Hill, Kuthodaw Pagoda (The World's largest Book) and Shwenandaw Monastery. Therefore, for the tourists, if they want to eat lunch or dinner with the taste of Myanmar traditional food, they can easily find and come to the Shwe Mandalay Traditional Restaurant's location that is the company's advantage.

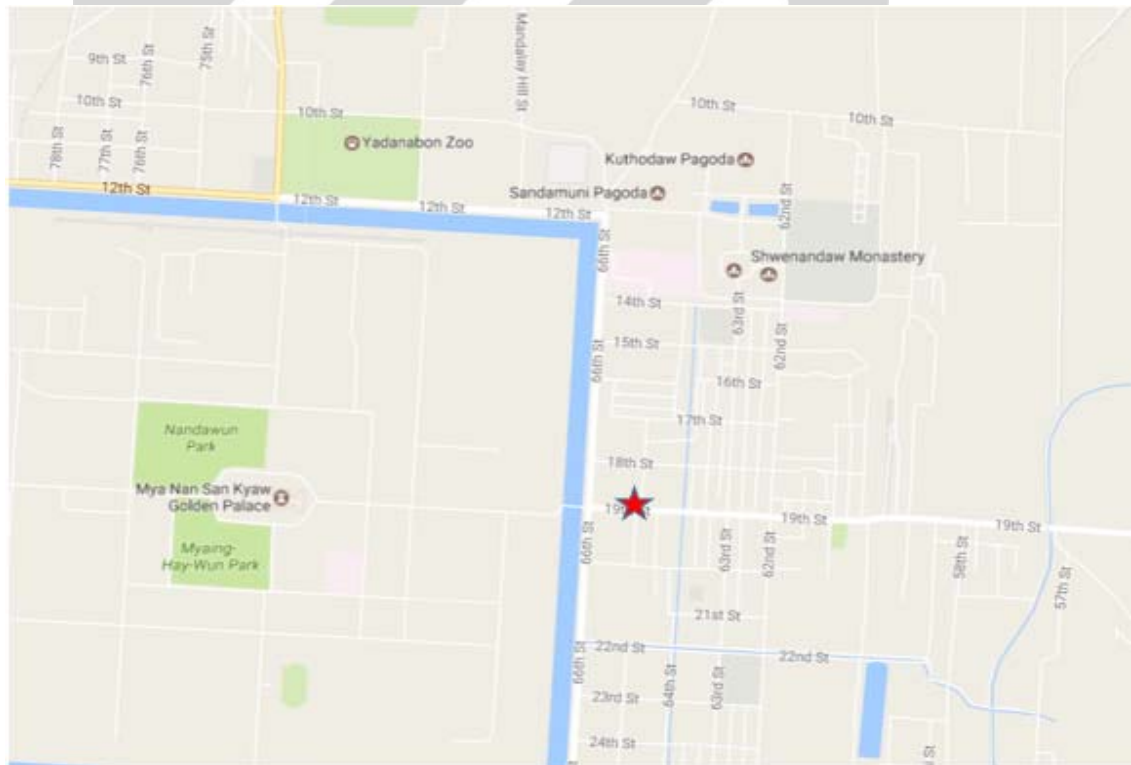


Figure 6.1 Location Map of Shwe Mandalay Myanmar Traditional Restaurant

Promotion

Promoting the restaurant is the most important and effective ways to increase the company profit. The restaurant will be provided the advertising 70 percent of

budget to digital marketing and 30 percent to traditional advertising such as magazines, media and billboard ads. The company will create a webpage, Facebook page and other social media including with map and hours of operation. In the future, the company may consider online orders and phone application. Promoting the products is important for any business because it is the lasting impact promoting on customers. (Kotler, 2010) The five main tools of promotion are advertising, Public Relation, Sales Promotion, Direct Marketing and Personal Selling. These tools are used to communicate with customer and build the customer relationship in order to gain and achieve both short and long term success.

Advertising

Traditional media advertising is a prominent promotion tool for marketing that includes paid messages designed and presented. The company will promote the role of advertising such as Billboards, Media, Newspapers, Travel Magazine, Family and Business Magazine which can be delivered the message to customer and will provide the advertisement to specific target groups. Today, social media is the best way to promote the restaurant advertising in 21st Century. It can easier to direct advertising messages to the consumers.

Public Relation

Public Relations is very important to any business. There are specifically several promotional tools to public relations in which unpaid communication often presented through media exposure. The company will create own account such as set up Facebook account and Foursquare account in which the company will show the information of restaurant with high-quality delicious looking photos, meals, location, opening hours, promotion, desserts and special services menu. Facebook is mostly used on a daily basis by individuals around the world. It makes it very easy to know for the company's products. Also, the company can get users the ability to target individuals by geographical location, likes and gender, age, and other demographic. These have the effective power in this restaurant industry and the company can get direct customer's feedback and respond from accounts. The restaurant will create the functional website with responsive design in which promote today special dish, photos, location, menu and price range because it is an important things to attract the potential customers. The company will provide online booking system and customer's

feedback system on the web site in which the company can find the customer's behaviors.

Sales Promotion

Promotion is an incentive tool to drive up short term sales of company. Sale Promotion activity can be launched directed at consumer and is selected looking at the overall marketing objective of the company to attract and increase the new customer and reward the existing customer. The company will offer some of the established sales promotion such as discount cards or coupons. The restaurant will arrange discount for special events and group tour business companies to get enhanced business relationship. The company will make the business contacts with business firms such as company's dinner and will arrange group tour agency companies with discount and commission rates. If the company build the partnerships with tour agency, the company will increase the foreigner customer. The restaurant will make happy hour promotion with discount in restaurant. This promotion is intended to business during slow hours in a day between 4 PM to 6PM. Making the happy hour promotion is also the best way to enjoy consumers and get the loyal customer. The restaurant will make announce today special dish everyday on the display. It will help to attract the customer with new tastes and experiences.

Direct Marketing

Direct Marketing uses technology marketing to individually target customers such as e-mail, application, catalogs and telephone calls. The internet has played major part of the marketing. The company has the website, email and telephone that will be provided as direct marketing that can be communicated and delivered message or service without using any intermediaries to the customer. It can do so many things with customization and segmenting to customers. It can be save time and reduces cost for the company.

Personal Selling

Personal selling tools is one of the most effective tool of the promotional mix. It is a long-term relationship between the customer and employees. The company will be served the full service with well-trained staffs who contact or engage customers using assertive selling techniques to come back the restaurant. All of the employees will serve the best service that will make to customer feel welcome and warmly in

which asking question and listening to customer feedback, needs and wants. Building this relationship will be increased the loyalty customers.

Process

The company will serve the full customer service and will provide them from the reservation to until the customer leave from the restaurant. The process of service delivery is important so the company will do ensures to be customer satisfaction that the standard of service is repeatedly delivered to the customer.

The process of the restaurant starts when the customers enter the restaurant and near the entrance is the temporary holding area where the receptionist and waiter direct the customer to the waiting area or table. And then the customers begin to review the menu and waits for the waiter for the placement of the order. The waiter takes the order and afterwards confirms to the customers whether all order on the order notes and ask the customers the repeat the orders. After that, the waiter takes to the kitchen and the chef takes the order and reviews it. Then, the chef proceeds to cooking the food. Otherwise, if there are no clearly to write the order, the chef call the attention of the waiter to verify the orders. After cooking the food, the chef prepares the food with the design and decoration and places it on the table and rings the bell to call the attention of the waiter. The waiter picks up the prepared food and serves it to the customers. The customers eat the food and then ask for the check. After the moment, the waiter arrives with the check and the customer reviews the check. If there are no concerns, the customer pays the bill and verify the check to the waiter then after paying the customer finally leaves the restaurant. The company will consider moving to the process time, each step in the process the amount of time. The company will prepare to the customer with the excellent taste of Myanmar traditional food, quality service, clean and respectable place to eat in the restaurant. All of food and material are used with fresh food and good quality products.

People

The company's all of the chef and employees will have the work experience and skill to serve the customer satisfaction. The company will provide customer service training program for staffs who to become the skill staffs that are involved specially training which include with materials to train the employees about the service attitudes, customer perception and how to handle customer complaints and

interpersonal skill. The company's customer service focus on towards customer satisfaction.



Figure 6.2 Employees Characteristic of Shwe Mandalay Restaurant

Source: www.Mingalapar.com,2014

Physical Evidence

The company will provide the restaurant's environment with Myanmar traditional atmosphere by using local traditional products and material such as traditional handicraft products .And also the company will provide the customer a good experience of Myanmar traditional decoration, play nice tradition music and style of the menus to be relax and convenient at the restaurant. Therefore, the company will create a better customer experience with tangible elements and deliver with the service. All of the company's staffs must wear the Myanmar traditional costumes with same dress color except in the kitchen staffs. The restaurant will use the interior lighting design with dim light to be energy saving decoration that it may reduce electricity costs expanse of the restaurant.



Figure 6.3 Physical Evidence of Shwe Mandalay Myanmar Traditional Restaurant

Source: www.Mingalapar.com,2014.

CHAPTER 7 FINANCIAL PLAN

The estimation of the start-up costs of Shwe Mandalay Myanmar Traditional Restaurant is 78,000,000 Kyat. The company will be invested the partnership business which is owned by 3 persons. All of the investment and expense of the restaurant will be equally divided into three persons.

Table 7.1 Total Start-up costs of Shwe Mandalay Restaurant

Sources of Funding	Amount	Totals
Owner's Equity	33.33%	26,000,000
Outside Investors	66.67%	52,000,000
Total Sources of Funding	100.00%	\$ 78,000,000

Shwe Mandalay Myanmar Traditional Restaurant has total 21 Full time employees. The following table shows their monthly salaries and wages.

Table 7.02 Salary and Wages of Shwe Mandalay Restaurant

Employees	Quantity	Salary (Kyats)	Total (Kyats)
Owner-Founder	1	780000	780000
General Manager	1	650000	650000
Chef	1	650000	650000
Accounting	1	286000	286000
Casher	1	286000	286000
Assistant Chef	3	286000	858000
Waiters	10	221000	2210000
Helper in Kitchen	2	169000	338000
Security	1	143000	143000
Total Employees	21	Total Salary (Kyats)	6201000

The first step the company need to use for physical inputs of restaurant such as furniture, equipment and mechanisms of kitchen. Start-up assets include furniture and fixtures, kitchen wares and machineries and cash. So, the following table show the total required funds of the company in which includes the total fixed assets and total operating capital.

Table 7.3 Total Required Funds of Shwe Mandalay Restaurant

Required Start-Up Funds	Amount	Totals
Fixed Assets		
Real Estate-Land	\$ -	
Leasehold Improvements	23,400,000	
Equipment	7,800,000	
Furniture and Fixtures	9,100,000	
Vehicles	6,500,000	
Other Fixed Assets	1,300,000	
Total Fixed Assets		<u>48,100,000</u>
Operating Capital		
Pre-Opening Salaries and Wages	6,201,000	
Inventory	130,000	
Legal and Accounting Fees	-	
Rent Deposits	4,680,000	
Supplies	130,000	
Advertising and Promotions	260,000	
Licenses	195,000	
Working Capital (Cash On Hand)	18,304,000	
Total Operating Capital		<u>29,900,000</u>
Total Required Funds		<u>\$ 78,000,000</u>

Then, Fixed Operating Expense include license fees, rent of the restaurant, advertising, car expenses, insurance, office expenses, tax, telephone and utilities such as electricity and water. All of the expense are calculated estimates each month expense to year two and year three.

Table 7.4 Fixed Operating Expenses of Shwe Mandalay Restaurant

**Shwe Mandalay Myanmar Traditional Restaurant
Fixed Operating Expenses**

Fixed Operating Expenses	Monthly	Year One	Year Two	Year Three
Percent Change			3.00%	3.00%
Expenses				
Advertising	\$ 195,000	2,340,000	2,410,200	2,482,506
Car and Truck Expenses	78,000	936,000	964,080	993,002
Insurance (Liability and Property)	65,000	780,000	803,400	827,502
Licenses/Fees/Permits	78,000	936,000	964,080	993,002
Office Expenses & Supplies	78,000	936,000	964,080	993,002
Rent House	2,340,000	28,080,000	28,922,400	29,790,072
Taxes-Other	130,000	1,560,000	1,606,800	1,655,004
Telephone and Communications	195,000	2,340,000	2,410,200	2,482,506
Travel	-	-	-	-
Utilities	520,000	6,240,000	6,427,200	6,620,016
Total Expenses	3,679,000	44,148,000	45,472,440	46,836,613
Other Expenses				
Depreciation	653,095	7,837,143	7,837,143	7,837,143
Total Other Expenses	653,095	7,837,143	7,837,143	7,837,143
Total Fixed Operating Expenses	4,332,095	51,985,143	53,309,583	54,673,756

Then, Shew Mandalay Myanmar Traditional Restaurant serves the product into three different groups as meal, beverage and dessert. The following tables shows each product of projected sale forecast in year one, year two and year three growth.

Table 7.5 Meals Projected Sales Forecast of Shwe Mandalay Restaurant

**Shwe Mandalay Myanmar Traditional Restaurant
Projected Sales Forecast**

Products and Services	Assumptions	%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Meals															
Price Per Unit	\$ 2,600.00	100.00%													
Variable Cost Per Unit	\$ 1,300.00	50.00%													
Gross Margin Per Unit	\$ 1,300.00	50.00%													
Projected Unit Sales															
Seasonality Factor			5.29%	5.98%	7.36%	7.59%	8.05%	8.51%	8.97%	9.20%	9.20%	9.66%	9.89%	10.34%	100.00%
Year One			2,300	2,600	3,200	3,300	3,500	3,700	3,900	4,000	4,000	4,200	4,300	4,500	43,500
Year Two Growth	25.00%		2,875	3,250	4,000	4,125	4,375	4,625	4,875	5,000	5,000	5,250	5,375	5,625	54,375
Year Three Growth	25.00%		3,594	4,063	5,000	5,156	5,469	5,781	6,094	6,250	6,250	6,563	6,719	7,031	67,969
Overhead Exp Allocation	50.00%														
Projected Revenue	\$ 113,100,000														
Variable Costs	56,550,000														
Gross Margin	56,550,000														
Overhead Expenses	63,198,571														
Profit	(6,648,571)	-5.88%													
Breakeven Sales Revenue	\$ 126,397,142.86														
Breakeven Sales Units	48,614														



Table 7.6 Dessert Project Sales Forecast of Shwe Mandalay Restaurant

Products and Services	Assumptions	%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Dessert															
Price Per Unit	\$ 1,950.00	100.00%													
Variable Cost Per Unit	\$ 650.00	33.33%													
Gross Margin Per Unit	\$ 1,300.00	66.67%													
Projected Unit Sales															
Seasonality Factor			5.22%	6.01%	6.27%	6.53%	7.83%	8.88%	9.40%	10.18%	10.18%	9.40%	9.92%	10.18%	100.00%
Year One			2,000	2,300	2,400	2,500	3,000	3,400	3,600	3,900	3,900	3,600	3,800	3,900	38,300
Year Two Growth	10.00%		2,200	2,530	2,640	2,750	3,300	3,740	3,960	4,290	4,290	3,960	4,180	4,290	42,130
Year Three Growth	10.00%		2,420	2,783	2,904	3,025	3,630	4,114	4,356	4,719	4,719	4,356	4,598	4,719	46,343
Overhead Exp Allocation	25.00%														
Projected Revenue	\$ 74,685,000														
Variable Costs	24,895,000														
Gross Margin	49,790,000														
Overhead Expenses	31,599,286														
Profit	18,190,714	24.36%													
Breakeven Sales Revenue	\$ 47,398,928.57														
Breakeven Sales Units	24,307														



Project Profit

Table 7.7 Year One Project Income Statement of Shwe Mandalay Restaurant

**Shwe Mandalay Myanmar Traditional Restaurant
Projected Income Statement - Year One**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Income													
Meals	5,980,000	6,760,000	8,320,000	8,580,000	9,100,000	9,620,000	10,140,000	10,400,000	10,400,000	10,920,000	11,180,000	11,700,000	113,100,000
Beverage	2,990,000	3,380,000	4,160,000	4,550,000	4,420,000	4,680,000	4,550,000	5,070,000	5,070,000	5,330,000	5,460,000	5,590,000	55,250,000
Dessert	3,900,000	4,485,000	4,680,000	4,875,000	5,850,000	6,630,000	7,020,000	7,605,000	7,605,000	7,020,000	7,410,000	7,605,000	74,685,000
Total Income	12,870,000	14,625,000	17,160,000	18,005,000	19,370,000	20,930,000	21,710,000	23,075,000	23,075,000	23,270,000	24,050,000	24,895,000	243,035,000
Cost of Sales													
Meals	2,990,000	3,380,000	4,160,000	4,290,000	4,550,000	4,810,000	5,070,000	5,200,000	5,200,000	5,460,000	5,590,000	5,850,000	56,550,000
Beverage	1,495,000	1,690,000	2,080,000	2,275,000	2,210,000	2,340,000	2,275,000	2,535,000	2,535,000	2,665,000	2,730,000	2,795,000	27,625,000
Dessert	1,300,000	1,495,000	1,560,000	1,625,000	1,950,000	2,210,000	2,340,000	2,535,000	2,535,000	2,340,000	2,470,000	2,535,000	24,895,000
Total Cost of Sales	5,785,000	6,565,000	7,800,000	8,190,000	8,710,000	9,360,000	9,685,000	10,270,000	10,270,000	10,465,000	10,790,000	11,180,000	109,070,000
Gross Margin	7,085,000	8,060,000	9,360,000	9,815,000	10,660,000	11,570,000	12,025,000	12,805,000	12,805,000	12,805,000	13,260,000	13,715,000	133,965,000
Total Salary and Wages	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	74,412,000
Fixed Business Expenses													
Advertising	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	2,340,000
Car and Truck Expenses	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	936,000
Insurance (Liability and Property)	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	780,000
Licenses/Fees/Permits	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	936,000
Legal and Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Expenses & Supplies	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	936,000
Postage and Delivery	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent House	2,340,000	2,340,000	2,340,000	2,340,000	2,340,000	2,340,000	2,340,000	2,340,000	2,340,000	2,340,000	2,340,000	2,340,000	28,080,000
Rent of Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales & Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes-Other	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	1,560,000
Telephone and Communications	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	2,340,000
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	520,000	520,000	520,000	520,000	520,000	520,000	520,000	520,000	520,000	520,000	520,000	520,000	6,240,000
Total Fixed Business Expenses	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	44,148,000
Other Expenses													
Amortized Start-up Expenses	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	3,822,000
Depreciation	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	7,837,143
Taxes	-	-	-	-	-	-	-	-	-	331,810	545,381	636,381	1,513,571
Total Other Expenses	971,595	971,595	971,595	971,595	971,595	971,595	971,595	971,595	971,595	1,303,405	1,516,976	1,607,976	13,172,714
Net Income	(3,766,595)	(2,791,595)	(1,491,595)	(1,036,595)	(191,595)	718,405	1,173,405	1,953,405	1,953,405	1,621,595	1,863,024	2,227,024	2,232,286

Table 7.8 Year One Projected Cash Flow Statement of Restaurant

Shwe Mandalay Myanmar Traditional Restaurant
Projected Cash Flow Statement - Year One

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Beginning Cash Balance	18,304,000	15,509,000	13,689,000	13,169,000	13,104,000	13,884,000	15,574,000	17,719,000	20,644,000	23,569,000	26,494,000	29,874,000	
Cash Inflows													
Income from Sales	12,870,000	14,625,000	17,160,000	18,005,000	19,370,000	20,930,000	21,710,000	23,075,000	23,075,000	23,270,000	24,050,000	24,895,000	243,035,000
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Inflows	12,870,000	14,625,000	17,160,000	18,005,000	19,370,000	20,930,000	21,710,000	23,075,000	23,075,000	23,270,000	24,050,000	24,895,000	243,035,000
Cash Outflows													
Cost of Sales	5,785,000	6,565,000	7,800,000	8,190,000	8,710,000	9,360,000	9,685,000	10,270,000	10,270,000	10,465,000	10,790,000	11,180,000	109,070,000
Operating Activities													
Salaries and Wages	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	6,201,000	74,412,000
Fixed Business Expenses	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	3,679,000	44,148,000
Total Cash Outflows	15,665,000	16,445,000	17,680,000	18,070,000	18,590,000	19,240,000	19,565,000	20,150,000	20,150,000	20,345,000	20,670,000	22,573,571	229,143,571
Cash Flow	(2,795,000)	(1,820,000)	(520,000)	(65,000)	780,000	1,690,000	2,145,000	2,925,000	2,925,000	2,925,000	3,380,000	2,321,429	13,891,429
Operating Cash Balance	15,509,000	13,689,000	13,169,000	13,104,000	13,884,000	15,574,000	17,719,000	20,644,000	23,569,000	26,494,000	29,874,000	32,195,429	
Ending Cash Balance	15,509,000	13,689,000	13,169,000	13,104,000	13,884,000	15,574,000	17,719,000	20,644,000	23,569,000	26,494,000	29,874,000	32,195,429	



Table 7.09 Year One Balance Sheet of Shwe Mandalay Restaurant**Shwe Mandalay Myanmar Traditional Restaurant
Balance Sheet - Year One**

	<u>Base Period</u>	<u>End of Year One</u>
Assets		
Current Assets		
Cash	18,304,000	32,195,429
Inventory	130,000	130,000
Prepaid Expenses	11,466,000	7,644,000
Total Current Assets	<u>29,900,000</u>	<u>39,969,429</u>
Fixed Assets		
Leasehold Improvements	23,400,000	23,400,000
Equipment	7,800,000	7,800,000
Furniture and Fixtures	9,100,000	9,100,000
Vehicles	6,500,000	6,500,000
Other Fixed Assets	1,300,000	1,300,000
Total Fixed Assets	<u>48,100,000</u>	<u>48,100,000</u>
Less: Accumulated Depreciation	-	7,837,143
Total Assets	<u><u>78,000,000</u></u>	<u><u>80,232,285</u></u>
Owner's Equity		
Common Stock	78,000,000	78,000,000
Retained Earnings	-	2,232,286
Dividends Dispersed	-	-
Total Owner's Equity	<u>78,000,000</u>	<u>80,232,286</u>
Total Liabilities and Owner's Equity	<u><u>78,000,000</u></u>	<u><u>80,232,285</u></u>
	Statement Balances	Statement Balances

Table 7.10 Year Two Project Income Statement of Shwe Mandalay Restaurant
Shwe Mandalay Myanmar Traditional Restaurant
Projected Income Statement - Year Two

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Income													
Meals	7,475,000	8,450,000	10,400,000	10,725,000	11,375,000	12,025,000	12,675,000	13,000,000	13,000,000	13,650,000	13,975,000	14,625,000	141,375,000
Beverage	3,289,000	3,718,000	4,576,000	5,005,000	4,862,000	5,148,000	5,005,000	5,577,000	5,577,000	5,863,000	6,006,000	6,149,000	60,775,000
Dessert	4,290,000	4,933,500	5,148,000	5,362,500	6,435,000	7,293,000	7,722,000	8,365,500	8,365,500	7,722,000	8,151,000	8,365,500	82,153,500
Total Income	15,054,000	17,101,500	20,124,000	21,092,500	22,672,000	24,466,000	25,402,000	26,942,500	26,942,500	27,235,000	28,132,000	29,139,500	284,303,500
Cost of Sales													
Meals	3,737,500	4,225,000	5,200,000	5,362,500	5,687,500	6,012,500	6,337,500	6,500,000	6,500,000	6,825,000	6,987,500	7,312,500	70,687,500
Beverage	1,644,500	1,859,000	2,288,000	2,502,500	2,431,000	2,574,000	2,502,500	2,788,500	2,788,500	2,931,500	3,003,000	3,074,500	30,387,500
Dessert	1,430,000	1,644,500	1,716,000	1,787,500	2,145,000	2,431,000	2,574,000	2,788,500	2,788,500	2,574,000	2,717,000	2,788,500	27,384,500
Total Cost of Sales	6,812,000	7,728,500	9,204,000	9,652,500	10,263,500	11,017,500	11,414,000	12,077,000	12,077,000	12,330,500	12,707,500	13,175,500	128,459,500
Gross Margin	8,242,000	9,373,000	10,920,000	11,440,000	12,408,500	13,448,500	13,988,000	14,865,500	14,865,500	14,904,500	15,424,500	15,964,000	155,844,000
Total Salary and Wages	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	76,644,360
Fixed Business Expenses													
Advertising	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	2,410,200
Car and Truck Expenses	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	964,080
Insurance (Liability and Property)	66,950	66,950	66,950	66,950	66,950	66,950	66,950	66,950	66,950	66,950	66,950	66,950	803,400
Licenses/Fees/Permits	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	964,080
Office Expenses & Supplies	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	80,340	964,080
Rent House	2,410,200	2,410,200	2,410,200	2,410,200	2,410,200	2,410,200	2,410,200	2,410,200	2,410,200	2,410,200	2,410,200	2,410,200	28,922,400
Taxes-Other	133,900	133,900	133,900	133,900	133,900	133,900	133,900	133,900	133,900	133,900	133,900	133,900	1,606,800
Telephone and Communications	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	200,850	2,410,200
Utilities	535,600	535,600	535,600	535,600	535,600	535,600	535,600	535,600	535,600	535,600	535,600	535,600	6,427,200
Total Fixed Business Expenses	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	45,472,440
Other Expenses													
Amortized Start-up Expenses	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	3,822,000
Depreciation	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	7,837,143
Taxes	-	-	-	-	-	171,006	631,701	807,201	807,201	815,001	919,001	1,026,901	5,178,011
Total Other Expenses	971,595	971,595	971,595	971,595	971,595	1,142,601	1,603,296	1,778,796	1,778,796	1,786,596	1,890,596	1,998,496	16,837,154
Net Income	(2,905,995)	(1,774,995)	(227,995)	292,005	1,260,505	2,129,499	2,208,304	2,910,304	2,910,304	2,941,504	3,357,504	3,789,104	16,890,046

Table 7.11 Year Two Project Cash Flow Statement of Shwe Mandalay Restaurant

Shwe Mandalay Myanmar Traditional Restaurant
Projected Cash Flow Statement - Year Two

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Beginning Cash Balance	32,195,429	30,261,029	29,457,629	30,201,229	31,464,829	33,696,929	36,798,023	40,609,623	45,298,723	47,741,720	52,469,820	57,717,920	
Cash Inflows													
Income from Sales	15,054,000	17,101,500	20,124,000	21,092,500	22,672,000	24,466,000	25,402,000	26,942,500	26,942,500	27,235,000	28,132,000	29,139,500	284,303,500
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Inflows	15,054,000	17,101,500	20,124,000	21,092,500	22,672,000	24,466,000	25,402,000	26,942,500	26,942,500	27,235,000	28,132,000	29,139,500	284,303,500
Cash Outflows													
Investing Activities													
Cost of Sales	6,812,000	7,728,500	9,204,000	9,652,500	10,263,500	11,017,500	11,414,000	12,077,000	12,077,000	12,330,500	12,707,500	13,175,500	128,459,500
Operating Activities													
Salaries and Wages	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	6,387,030	76,644,360
Fixed Business Expenses	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	3,789,370	45,472,440
Taxes	-	-	-	-	-	171,006	-	-	2,246,103	-	-	2,760,903	5,178,011
Total Cash Outflows	16,988,400	17,904,900	19,380,400	19,828,900	20,439,900	21,364,906	21,590,400	22,253,400	24,499,503	22,506,900	22,883,900	26,112,803	255,754,311
Cash Flow	(1,934,400)	(803,400)	743,600	1,263,600	2,232,100	3,101,094	3,811,600	4,689,100	2,442,997	4,728,100	5,248,100	3,026,697	28,549,189
Operating Cash Balance	30,261,029	29,457,629	30,201,229	31,464,829	33,696,929	36,798,023	40,609,623	45,298,723	47,741,720	52,469,820	57,717,920	60,744,617	
Ending Cash Balance	30,261,029	29,457,629	30,201,229	31,464,829	33,696,929	36,798,023	40,609,623	45,298,723	47,741,720	52,469,820	57,717,920	60,744,617	

Table 7.12 Year Two Balance Sheet of Shwe Mandalay Restaurant

Shwe Mandalay Myanmar Traditional Restaurant
Balance Sheet - Year Two

	<u>End of Year One</u>	<u>End of Year Two</u>
Assets		
Current Assets		
Cash	32,195,429	60,744,617
Inventory	130,000	130,000
Prepaid Expenses	7,644,000	3,822,000
Total Current Assets	<u>39,969,429</u>	<u>64,696,617</u>
Fixed Assets		
Leasehold Improvements	23,400,000	23,400,000
Equipment	7,800,000	7,800,000
Furniture and Fixtures	9,100,000	9,100,000
Vehicles	6,500,000	6,500,000
Other Fixed Assets	<u>1,300,000</u>	<u>1,300,000</u>
Total Fixed Assets	<u>48,100,000</u>	<u>48,100,000</u>
Less: Accumulated Depreciation	7,837,143	15,674,286
Total Assets	<u>80,232,285</u>	<u>97,122,331</u>
Common Stock	78,000,000	78,000,000
Retained Earnings	2,232,286	19,122,331
Dividends Dispersed	-	-
Total Owner's Equity	<u>80,232,286</u>	<u>97,122,331</u>
Total Liabilities and Owner's Equity	<u>80,232,285</u>	<u>97,122,331</u>
	Statement Balances	Statement Balances



Table 7.13 Year Three Project Income Statement of Shwe Mandalay Restaurant
Shwe Mandalay Myanmar Traditional Restaurant
Projected Income Statement - Year Three

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Income													
Meals	9,343,750	10,562,500	13,000,000	13,406,250	14,218,750	15,031,250	15,843,750	16,250,000	16,250,000	17,062,500	17,468,750	18,281,250	176,718,750
Beverage	3,617,900	4,089,800	5,033,600	5,505,500	5,348,200	5,662,800	5,505,500	6,134,700	6,134,700	6,449,300	6,606,600	6,763,900	66,852,500
Dessert	4,719,000	5,426,850	5,662,800	5,898,750	7,078,500	8,022,300	8,494,200	9,202,050	9,202,050	8,494,200	8,966,100	9,202,050	90,368,850
Total Income	17,680,650	20,079,150	23,696,400	24,810,500	26,645,450	28,716,350	29,843,450	31,586,750	31,586,750	32,006,000	33,041,450	34,247,200	333,940,100
Cost of Sales													
Meals	4,671,875	5,281,250	6,500,000	6,703,125	7,109,375	7,515,625	7,921,875	8,125,000	8,125,000	8,531,250	8,734,375	9,140,625	88,359,375
Beverage	1,808,950	2,044,900	2,516,800	2,752,750	2,674,100	2,831,400	2,752,750	3,067,350	3,067,350	3,224,650	3,303,300	3,381,950	33,426,250
Dessert	1,573,000	1,808,950	1,887,600	1,966,250	2,359,500	2,674,100	2,831,400	3,067,350	3,067,350	2,831,400	2,988,700	3,067,350	30,122,950
Total Cost of Sales	8,053,825	9,135,100	10,904,400	11,422,125	12,142,975	13,021,125	13,506,025	14,259,700	14,259,700	14,587,300	15,026,375	15,589,925	151,908,575
Gross Margin	9,626,825	10,944,050	12,792,000	13,388,375	14,502,475	15,695,225	16,337,425	17,327,050	17,327,050	17,418,700	18,015,075	18,657,275	182,031,525
Total Salary and Wages	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	78,943,691
Fixed Business Expenses													
Advertising	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	2,482,506
Car and Truck Expenses	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	993,002
Insurance (Liability and Property)	68,959	68,959	68,959	68,959	68,959	68,959	68,959	68,959	68,959	68,959	68,959	68,959	827,502
Licenses/Fees/Permits	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	993,002
Office Expenses & Supplies	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	993,002
Rent House	2,482,506	2,482,506	2,482,506	2,482,506	2,482,506	2,482,506	2,482,506	2,482,506	2,482,506	2,482,506	2,482,506	2,482,506	29,790,072
Taxes-Other	137,917	137,917	137,917	137,917	137,917	137,917	137,917	137,917	137,917	137,917	137,917	137,917	1,655,004
Telephone and Communications	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	206,876	2,482,506
Utilities	551,668	551,668	551,668	551,668	551,668	551,668	551,668	551,668	551,668	551,668	551,668	551,668	6,620,016
Total Fixed Business Expenses	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	46,836,613
Other Expenses													
Amortized Start-up Expenses	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	318,500	3,822,000
Depreciation	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	653,095	7,837,143
Taxes	-	-	-	442,420	673,538	912,088	1,040,528	1,238,453	1,238,453	1,256,783	1,376,058	1,504,498	9,682,816
Total Other Expenses	971,595	971,595	971,595	1,414,015	1,645,133	1,883,683	2,012,123	2,210,048	2,210,048	2,228,378	2,347,653	2,476,093	21,341,958
Net Income	(1,826,462)	(509,237)	1,338,713	1,492,668	2,375,650	3,329,850	3,843,610	4,635,310	4,635,310	4,708,630	5,185,730	5,699,490	34,909,263

Table 7.14 Year Three Project Cash Flow Statement of Shwe Mandalay

Shwe Mandalay Myanmar Traditional Restaurant
Projected Cash Flow Statement - Year Three

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Beginning Cash Balance	60,744,617	59,889,750	60,352,108	62,662,416	65,569,099	69,589,882	72,775,370	78,631,103	85,476,461	88,804,386	95,741,394	#####	
Cash Inflows													
Income from Sales	17,680,650	20,079,150	23,696,400	24,810,500	26,645,450	28,716,350	29,843,450	31,586,750	31,586,750	32,006,000	33,041,450	34,247,200	333,940,100
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Inflows	17,680,650	20,079,150	23,696,400	24,810,500	26,645,450	28,716,350	29,843,450	31,586,750	31,586,750	32,006,000	33,041,450	34,247,200	333,940,100
Cash Outflows													
Investing Activities													
Cost of Sales	8,053,825	9,135,100	10,904,400	11,422,125	12,142,975	13,021,125	13,506,025	14,259,700	14,259,700	14,587,300	15,026,375	15,589,925	151,908,575
Operating Activities													
Salaries and Wages	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	6,578,641	78,943,691
Fixed Business Expenses	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	3,903,051	46,836,613
Taxes	-	-	-	-	-	2,028,045	-	-	3,517,433	-	-	4,137,338	9,682,816
Total Cash Outflows	18,535,517	19,616,792	21,386,092	21,903,817	22,624,667	25,530,862	23,987,717	24,741,392	28,258,825	25,068,992	25,508,067	30,208,955	287,371,695
Cash Flow	(854,867)	462,358	2,310,308	2,906,683	4,020,783	3,185,488	5,855,733	6,845,358	3,327,925	6,937,008	7,533,383	4,038,245	46,568,405
Operating Cash Balance	59,889,750	60,352,108	62,662,416	65,569,099	69,589,882	72,775,370	78,631,103	85,476,461	88,804,386	95,741,394	#####	#####	
Ending Cash Balance	59,889,750	60,352,108	62,662,416	65,569,099	69,589,882	72,775,370	78,631,103	85,476,461	88,804,386	95,741,394	#####	#####	

Table 7.15 Year Three Balance Sheet of Shwe Mandalay Restaurant**Shwe Mandalay Myanmar Traditional Restaurant
Balance Sheet - Year Three**

	<u>End of Year Two</u>	<u>End of Year Three</u>
Assets		
Current Assets		
Cash	60,744,617	107,313,023
Inventory	130,000	130,000
Prepaid Expenses	3,822,000	-
Total Current Assets	<u>64,696,617</u>	<u>107,443,023</u>
Fixed Assets		
Leasehold Improvements	23,400,000	23,400,000
Equipment	7,800,000	7,800,000
Furniture and Fixtures	9,100,000	9,100,000
Vehicles	6,500,000	6,500,000
Other Fixed Assets	1,300,000	1,300,000
Total Fixed Assets	<u>48,100,000</u>	<u>48,100,000</u>
Less: Accumulated Depreciation	15,674,286	23,511,429
Total Assets	<u><u>97,122,331</u></u>	<u><u>132,031,593</u></u>
Owner's Equity		
Common Stock	78,000,000	78,000,000
Retained Earnings	19,122,331	54,031,594
Dividends Dispersed	-	-
Total Owner's Equity	<u>97,122,331</u>	<u>132,031,594</u>
Total Liabilities and Owner's Equity	<u><u>97,122,331</u></u>	<u><u>132,031,593</u></u>
	Statement Balances	Statement Balances

The following table shows the total year end summary of Shwe Mandalay Restaurant from year one to year three. Overall, it can be clearly seen that net income upward trend from 2,232,286 Kyats in year one to 34,909,263 Kyats in year three, it rising around 5% of each year. The following table can be concluded that the company can be success and increase the profit continuously in the future.

Table 7.16 Year End Summary Year End Summary**Shwe Mandalay Myanmar Traditional Restaurant**
Year End Summary

	<u>Year One</u>	%	<u>Year Two</u>	%	<u>Year Three</u>	%
Income						
Meals	113,100,000		141,375,000		176,718,750	
Beverage	55,250,000		60,775,000		66,852,500	
Dessert	74,685,000		82,153,500		90,368,850	
Total Income	<u>243,035,000</u>	100.00%	<u>284,303,500</u>	100.00%	<u>333,940,100</u>	100.00%
Cost of Sales						
Meals	56,550,000		70,687,500		88,359,375	
Beverage	27,625,000		30,387,500		33,426,250	
Dessert	24,895,000		27,384,500		30,122,950	
Total Cost of Sales	<u>109,070,000</u>	44.88%	<u>128,459,500</u>	45.18%	<u>151,908,575</u>	45.49%
Gross Margin	<u>133,965,000</u>	55.12%	<u>155,844,000</u>	54.82%	<u>182,031,525</u>	54.51%
Total Salary and Wages	<u>74,412,000</u>	30.62%	<u>76,644,360</u>	26.96%	<u>78,943,691</u>	23.64%
Fixed Business Expenses						
Advertising	2,340,000		2,410,200		2,482,506	
Car and Truck Expenses	936,000		964,080		993,002	
Insurance (Liability and Property)	780,000		803,400		827,502	
Licenses/Fees/Permits	936,000		964,080		993,002	
Office Expenses & Supplies	936,000		964,080		993,002	
Rent House	28,080,000		28,922,400		29,790,072	
Taxes-Other	1,560,000		1,606,800		1,655,004	
Telephone and Communications	2,340,000		2,410,200		2,482,506	
Utilities	6,240,000		6,427,200		6,620,016	
Total Fixed Business Expenses	<u>44,148,000</u>	18.17%	<u>45,472,440</u>	15.99%	<u>46,836,613</u>	14.03%
Operating Income (before Other Expenses)	<u>15,405,000</u>	6.34%	<u>33,727,200</u>	11.86%	<u>56,251,221</u>	16.84%
[EBITDA]						
Other Expenses						
Amortized Start-up Expenses	3,822,000		3,822,000		3,822,000	
Depreciation	7,837,143		7,837,143		7,837,143	
Taxes	1,513,571		5,178,011		9,682,816	
Total Other Expenses	<u>13,172,714</u>	5.42%	<u>16,837,154</u>	5.92%	<u>21,341,958</u>	6.39%
Net Income	<u>2,232,286</u>	0.92%	<u>16,890,046</u>	5.94%	<u>34,909,263</u>	10.45%

Breakeven Analysis of Shwe Mandalay Restaurant

The following table shows the Breakeven Analysis of Shwe Mandalay Myanmar Traditional Restaurant. According to the table, the company should gain annual sales over 229,305,637 Kyat to meet the breakeven point.

Table 7.171 Breakeven Analysis of Shwe Mandalay Restaurant

Shwe Mandalay Myanmar Traditonal Restaurant Breakeven Analysis

Breakeven Analysis	Kyat	Percent
Annual Sales Revenue	\$ 243,035,000	100.00%
Cost of Sales	<u>109,070,000</u>	<u>44.88%</u>
Gross Margin	133,965,000	55.12%
Salaries and Wages	74,412,000	
Fixed Operating Expenses	<u>51,985,143</u>	
Total Fixed Business Expenses	126,397,143	
Breakeven Sales Calculation	<u>126,397,143</u>	
	55.12%	
Breakeven Sales in Kyat	<u>\$ 229,305,637</u>	

CHAPTER 8

REFLECTIVE STATEMENT

Shwe Mandalay Myanmar Traditional Restaurant is planned to open in January 2018 in Mandalay City. Although it is a new restaurant, the restaurant will provide good foods with the best service and serve the Myanmar traditional cuisines and ethnic foods under with healthy menus. The restaurant focus on to attract the tourists and local people who finding the taste of Myanmar traditional food. The business plan of Shwe Mandalay Myanmar Traditional Restaurant is created with Operation plan, Marketing strategies, Financial plan and other feasibilities which need to start and maintain the new restaurant. Well experience and managerial employees in the operation of restaurant can help offering the best service and taste of Myanmar Foods. Being a food industry, the restaurant need to provide cleanliness, tidiness and health awareness that is important factors. And then, customer feedback such as listening, caring and fulfilling are included in the important factors that affect competitiveness and success to the company. After I had studied at Stamford University, I have learned to success on how to running the company and requirement of the operation, the marketing and financial that it support to me a lot. Finally, by using this study as guideline and plan, I have finished Shwe Mandalay Myanmar Traditional Restaurant of business plan in a short time and I believe that this business can success in the future.

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BIOGRAPHY

NAME Soe Myint Tun

DATE OF BIRTH 26th March 1991

EDUCATION

2016 Master of Business Administration
Stamford International University
Bangkok Campus

2012 Bachelor of Chemistry (Hons)
Yandanarbon University of Mandalay

NATIONALITY Myanmar

HOME ADDRESS 62nd street, between 20 and 21 streets, ChanAyeTharSan
Township in Mandalay, Myanmar.

EMAIL ADDRESS mr.soemyint26@gmail.com