



**WHOLE FOODS, WHOLE PEOPLE, WHOLE PLANET**

**INTRODUCING:  
THE FLY-BUY SERVICE**



# Market Trends

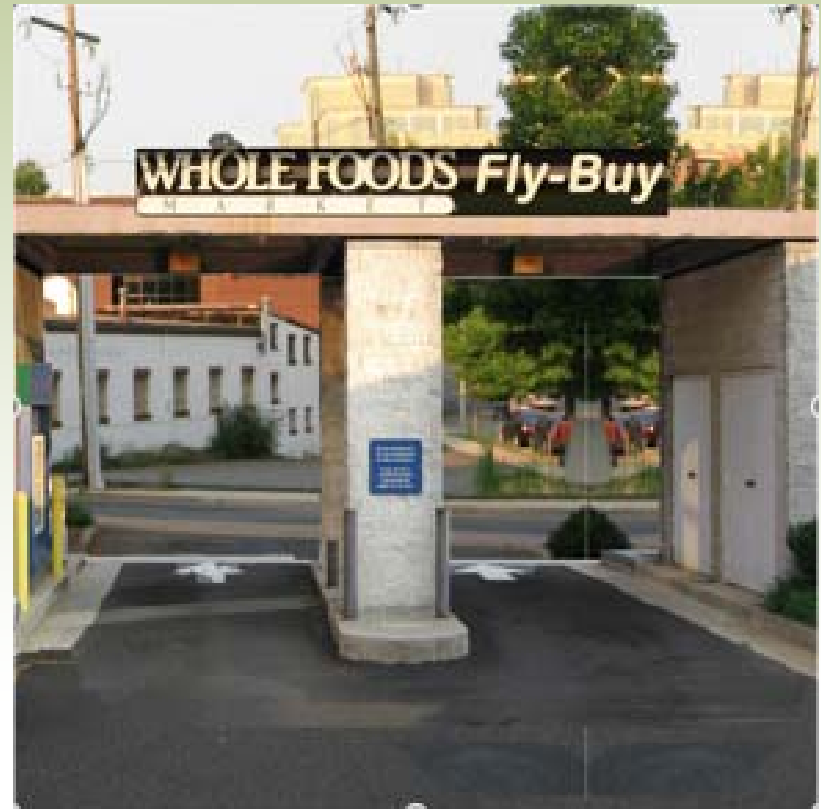
- Natural and Organic Retailing Trends
- Growing Concerns
- Competition



# What Is It?

## The Fly-Buy Service:

- Drive Up Kiosk
- Prepared Meals
- Ten Item Menu
- Online Pick Up



# How It Works

Initial Implementation: Annapolis, Maryland

- The Whole Foods “Team Concept”
- Fly-Buy Team composition
- Sequence of Events
  - Drive Thru
  - On-line





# Financials

- This service will cost \$126k to start
- The Kiosk will have sales of \$817,600
- Online will have sales \$949,000

With a 1% of transfer of current sales to the Fly-Buy

With Fly-Buy, Whole Foods Annapolis will increase sales above normal growth by **\$1 million** in the first year

# Assumptions

## Fly-Buy Drive-thru

- Avg sale of \$16 with an avg of 10 people per hour
- Approx 140 customers a day
  - Avg 10 customers an hour (max is 25 per hour)
  - Open 14 hours a day

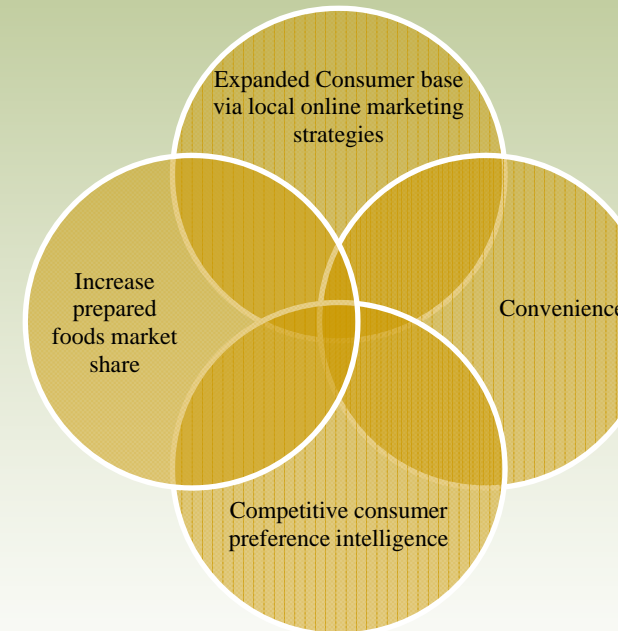
## Fly-Buy Online

- Used by 20 customers a day
- Avg customer spends \$130 per stop

# Conclusion

## The Fly-Buy Service:

- Is a new service not currently offered by any other competitor
- Adds an the ability to target new customers
- Easily integrates into current operations
- Will increases sales (from \$1 - \$1.8 million by the third year)
- Creates a competitive advantage





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# Financials



<b>Fly-Buy Sales</b>				
Year	2008	2009	2010	2011
Estimated Sales w/out Fly-Buy at 7% growth	\$67,425,000	\$72,144,750	\$77,194,883	\$82,598,524
Fly By Drive Grocery Sales	-	\$817,600	\$981,120	\$1,177,344
Online Grocery Sales	-	\$949,000	\$1,186,250	\$1,482,813
Total Fly-Buy	-	\$1,766,600	\$2,167,370	\$2,660,157
Estimated in-store sales accounting for 1% loss from Fly-Buy service	-	\$71,423,303	\$76,422,934	\$81,772,539
Sales with Fly-Buy	-	\$73,189,903	\$78,590,304	\$84,432,696
Difference in sales with Fly-Buy vs. without Fly-Buy	-	\$1,045,152	\$1,395,421	\$1,834,172
Store sales growth with Fly-Buy		8.60%	7.40%	7.40%

# Startup Cost



## Start-up Cash

Equity Investments	\$26,000
Loan Proceeds	100,000

**Total Start-up Cash** 126,000

## Start-up Expenditures

### Start-up Expenses

Payroll Expenses (training/setup)	
Salaries & Wages	1,000
Pre-opening advertising	10,000
Printing (cards, stationery, brochures)	5,000

**Total Start-up Expenses** 16,000

### Capital Expenditures

Computer Equipment	10,000
Buildings	100,000

**Total Start-up Capital Expenditures** 110,000

**Total Start-up Expenditures** 126,000

# Income Statement



Gross Sales	1,766,600	2,167,370	2,660,157
Cost of Goods Sold	1,148,290	1,408,791	1,729,102
<b>Gross Income</b>	<b>618,310</b>	<b>758,580</b>	<b>931,055</b>
<b>Operating Expenses</b>			
Insurance	2,880	2,880	2,880
Marketing & Promotion	5,000	10,000	10,000
Office Supplies	12,000	12,000	12,000
Payroll Expenses			
Salaries & Wages	108,336	130,113	153,171
Benefits	4,200	4,200	4,200
Telephone	2,400	2,400	2,400
Training & Development	6,960	2,780	2,780
Technical Maintenance & Su	2,400	2,200	2,400
MyWebGrocer Fees	36,500	45,625	57,031
<b>Total Operating Expenses</b>	<b>180,676</b>	<b>212,198</b>	<b>246,862</b>
<b>EBIT Operating Income</b>	<b>413,301</b>	<b>538,048</b>	<b>675,859</b>