



CORE Kitchen

Operations Strategy Final Report

Thomas Bendon // Lexy Guo // Gregory Stock // Kathleen Watson
Operations Strategy Report, Fall 2015
December 16, 2015

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Executive Summary

Core Kitchen // Core Grocery // Core Farm

CORE Foods wants to make a meaningful impact on the food industry and America's eating habits. Their vision is grand, but their team is small. CORE Foods consists of two identities: CORE Grocery and CORE Kitchen. In the future, they plan on opening CORE Farm, which will provide the majority of produce for their entire operation.

As a team, Thomas Bendon, Lexy Guo, Gregory Stock and Kathleen Watson have three recommendations focusing on human resources, communications strategy and internal operations. We discovered that CORE does not really know their customer. This led us to do a deep dive in research with a survey, 1-1 interviews, and discovering partnership opportunities. We have now become experts with this highly competitive, highly innovative industry of fresh food and fast delivery, which is where we believe CORE Kitchen desires to make a positive an impact.

Our first initiative was to evaluate the opening logistics of CORE Kitchen. This included construction, soft opening, hiring staff, growth of CORE Grocery and the grand opening in January 2016. Our second initiative identified growth opportunities for CORE Kitchen in the Oakland City Center area and beyond. Both initiatives shifted and evolved to become our current recommendations to CORE Foods. We believe with an immediate implementation, CORE Kitchen will be set up to succeed beyond Oakland, CA.

The Current Situation

Since 2010, CORE Foods has enjoyed steady growth and solid profits as a food products retailer (CORE Grocery), with the bulk of their success coming from their line of nutrition bars ('CORE meals' in company terminology). These successes have helped CORE to build a strong brand and establish a solid business foundation from which they can extend diversified additional pursuits.

Its Founder & CEO, Corey Rennell, leads CORE. Corey is a passionate and idealistic CEO leader who possess a wealth of food knowledge, particularly regarding healthy and sustainable food practices. He devotes his entire life to the company and its mission. Corey is not content to continue to merely turn a profit by supplying his products to groceries and health food stores; he knows that to bring about the far-reaching changes touted in the company's vision, CORE must become much more.

They have already experimented with such diversification, mostly in the form of community outreach cooking classes and some introductory partnerships with Bay Area companies for the purposes of providing workplace food items. However, these pursuits will not 'move the needle' of food practices on a scale sufficient to the CORE Vision.

The company is in the beginning launch phase of CORE Kitchen, a new venture that CEO Corey Rennell has not done before. The Kitchen is a restaurant, open for lunch customers, located in the heart of City Center Oakland. Corey plans for the Kitchen to become the base of all Operations for both current and future expansion of CORE Foods business. In addition to creating & serving menu items for restaurant customers, this Kitchen will be the primary producer of CORE Grocery's retail offerings, as well as a sort of 'food experimentation lab' where team members can develop new products for both retail & restaurant sale.

Corey does not plan to be satisfied with a successful establishment of a viable, sustainable restaurant. He is already envisioning additional diversified CORE pursuits that will spring from the Kitchen. The primary next strategic step is to vertically integrate CORE into Direct Service Distribution (DSD)- CORE would command its own means of distribution, continuing to serve Whole Foods & other retailers, but expanding into local gyms, yoga studios, et al. A further extension of this DSD initiative is for CORE to become the primary lunch caterer to Bay Area companies. CORE brand food trucks & carts also dot the horizon of Corey's ambitious vision(s) of CORE in the next few years.

While it is true that CORE has been a cash flow positive business since 2011, it is important to note that this has been solely in the identity of CORE Grocery; they are entering wholly uncharted waters with their Kitchen venture. Thus, strategic thinking will be critical to any success. However, CORE is currently being overly tactical in its efforts, without a clear and unified strategy for the next few years of growth. This all stems from the fact that Corey is the sole decision-maker of the company's development and expansion. We as a team seek to provide Corey with helpful clarity and foresight regarding the overall CORE Mission.

Current Corporate Strategy

Vision: CORE Foods envisions a society in which the general public is far more mindful and purposeful in its approach to food. CORE seeks to revolutionize the way we all eat, making our food practices and us healthier truly sustainable.

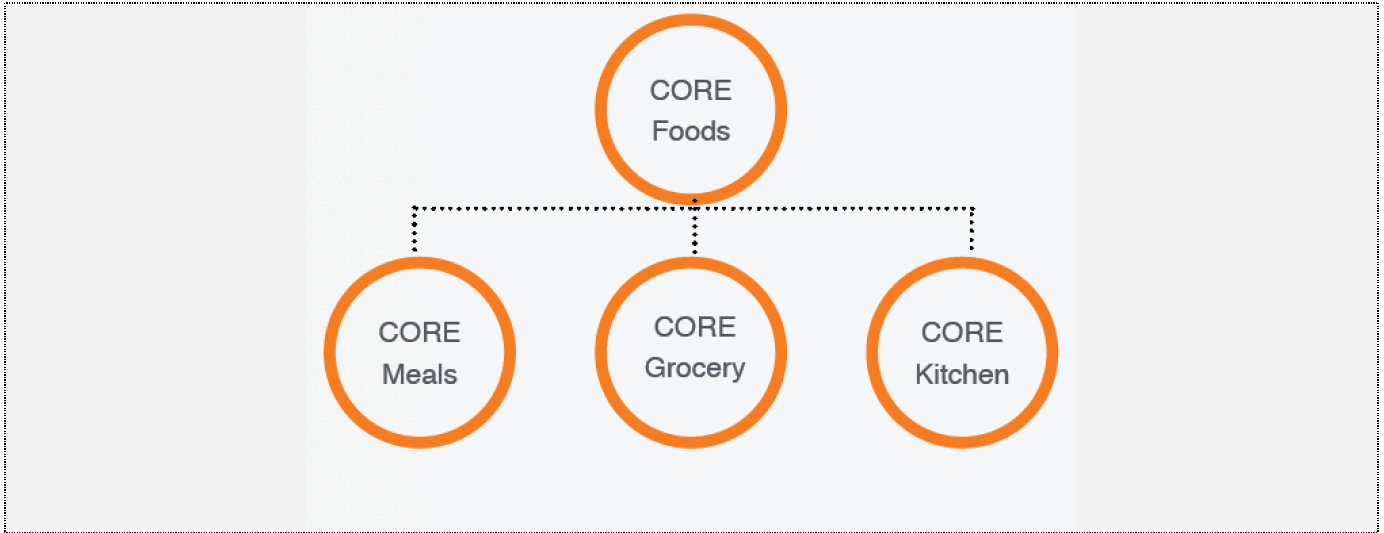
CORE wants to be a leading food provider, through both its retail products and new restaurant offerings; however, they fail to set concrete goals by which they can gauge progress on their Vision. It is inspiring; indeed, to be working toward such a shift in paradigm, but incremental gains must be identified and acted towards.

Mission: CORE works to bring affordable, healthy, locally & sustainably sourced food to the population at large. CORE makes it easier for people to live healthfully; CORE understands that helping people make better decisions regarding their food is the first step in this effort towards societal wellness. The company's public mission statement is:

“CORE Kitchen is an Oakland-based not-for-profit company on a mission to cultivate a healthier planet by empowering people with nourishing food and honest resources.”

Current CORE Organization

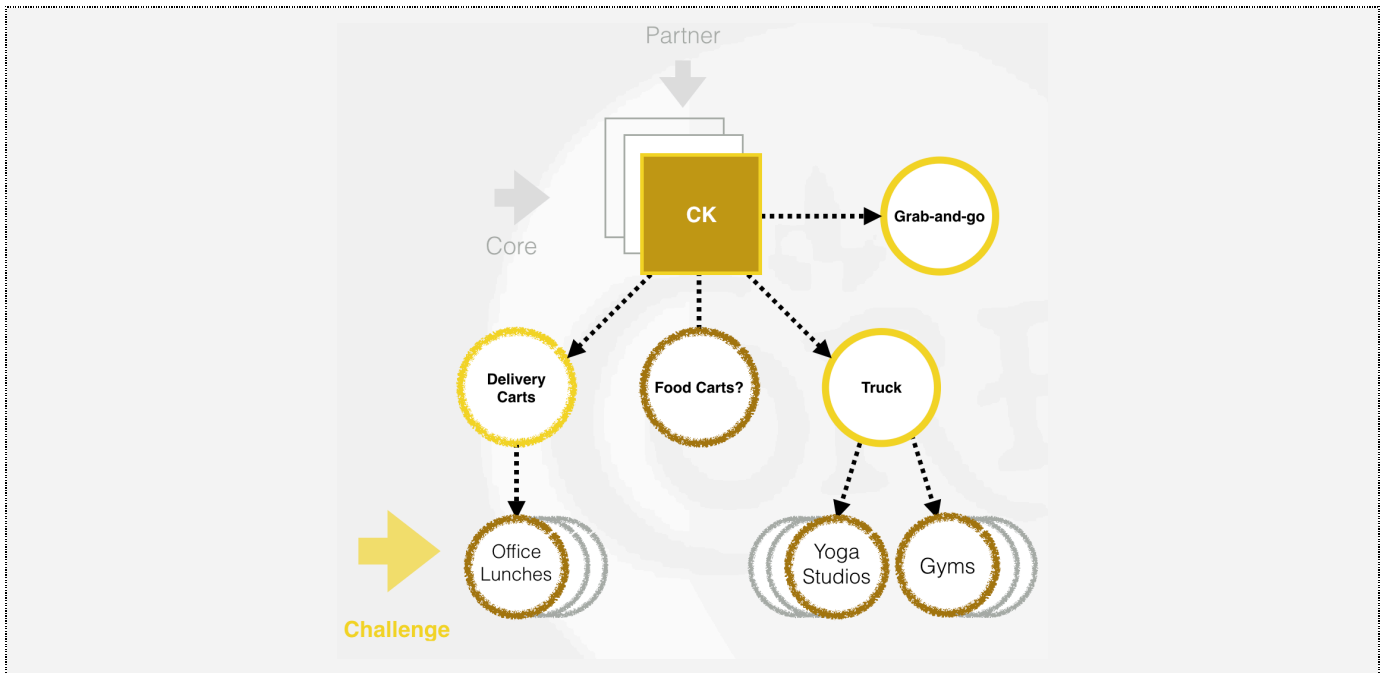
CORE is organized into 3 main functional areas under the broad umbrella of CORE Foods. CORE Meals has been pulling in revenues of enough to cover the startup of CORE Kitchen, which opened its doors recently on December 14, 2015. Therefore, it is critical that CORE Meals continue with its successful customer reach through major grocery store chains (e.g., Wholefoods) and the online sales (e.g., Amazon)



Summary of Strategies

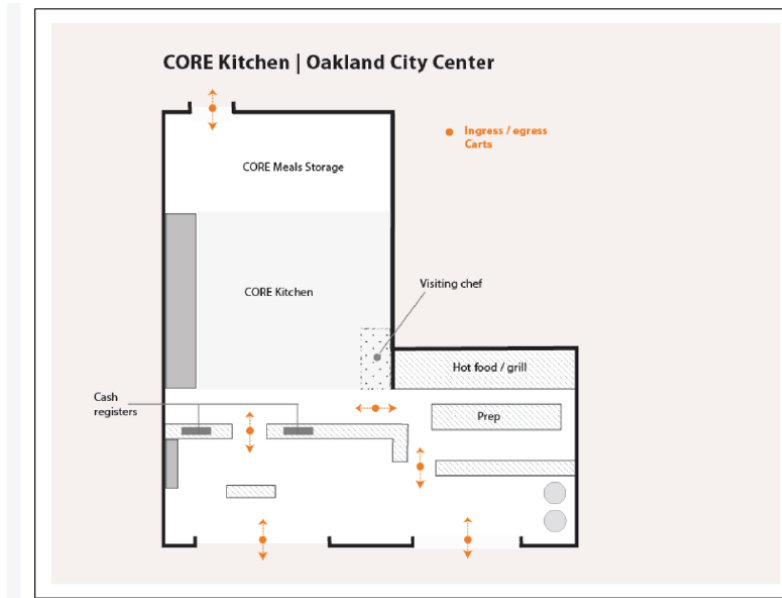
Functional Strategy

CORE Foods has no shortage of visionary ambition. This passion, paired with a working knowledge of food sourcing, preparation, and distribution, has garnered the company solid success in its first few years of existence. However, if the company is to continue to succeed and, indeed, expand in an increasingly competitive space, solid strategic thinking will be required. It is important that such strategy be clearly functional and actionable.



Operational Strategy

The new CORE Kitchen site will also house the major operations of CORE Grocery. The potential for destructive interference of these two aspects of the business is high. However, there will also exist the opportunity to align these respective operational pursuits in such a way that they positively support each other. CORE cannot undertake this next phase of the company's growth haphazardly; careful planning and constant re-assessment of the state of Operations for both CORE Grocery & Kitchen is needed.



The pull towards providing for gyms, yoga studios, etc. is understandable- such partnerships would fit in nicely with the overall Mission of CORE- but given the number of variables already co-mingling for the Operations of both the Grocery & the Kitchen, it is in CORE’s best interest to redouble its focus on ensuring effective Operations of pre-existing activities before exploring additional pursuits.

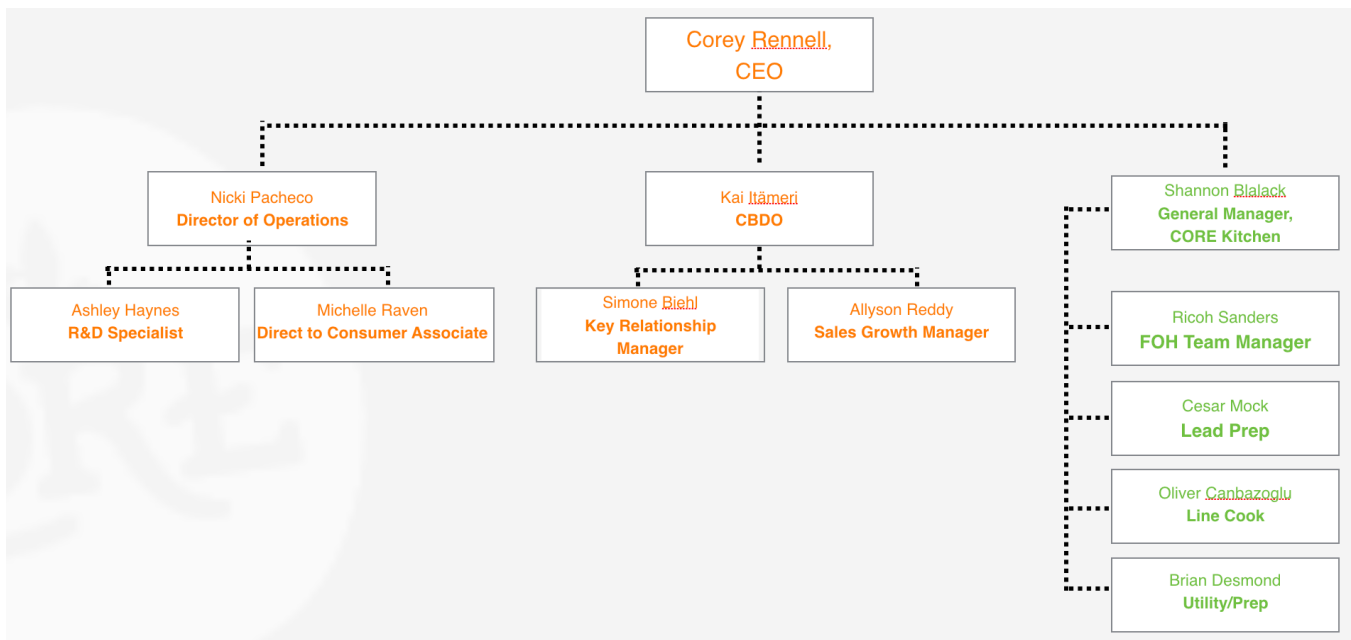
Marketing Strategy

Aligning the Operational Strategies of CORE’s individual initiatives (described later in the report) will allow for greater clarity of the company’s main value proposition. This will be important if CORE is to successfully attract customers to its new Kitchen.

Ongoing Market Research in the early stages of the Kitchen’s existence will help CORE to effectively communicate the story of this venture to customers. More importantly, through the insights gained from this Research, CORE will be better enabled to provide a consistent and impactful customer experience.

Proposed Organization Chart

With such a diversified slate of business pursuits, better organization of the CORE team becomes critical to sustained success. Team members need to be clear on their roles & responsibilities; workflow & communication need to follow strictly outlined channels & reporting structures. Our team recommends the following tiered organization of CORE.



Shannon Blalack is responsible for the day-to-day running of all Kitchen staff, reporting directly & regularly to Corey on matters concerning the Kitchen.

Kai Itameri continues to head up Business Development, but with an increased focus on partnerships, both growing existing ones and expanding into new areas.

Nicki Pacheco will drill down on her role as Director of Operations, ensuring that Grocery & Kitchen Operations are brought into alignment.

Corey Rennell continues to exist at the center of all CORE concerns & pursuits, but no longer has a hand in every detail of the business. This frees him up to better clarify both the long- & short-term vision of the company, along with key objectives required to achieve this vision.

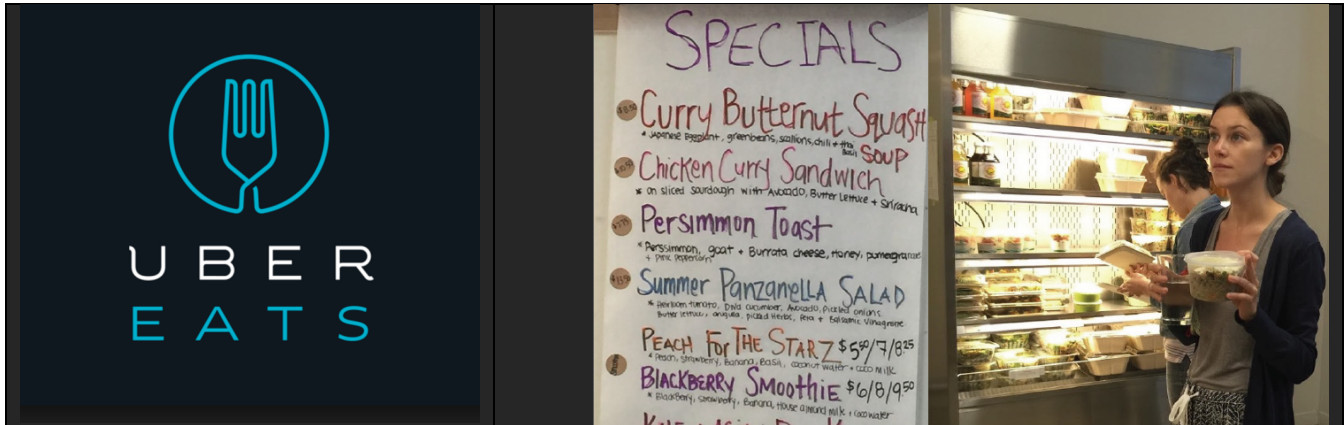
Marketing Research

The food industry is undergoing rapid innovation and in particular the service area of “fast food.” CORE Kitchen must take into account key technologies and movements that are alternating the competitive landscape.

The team conducted a full suite of Research for CORE. Our pursuits were as follows: Competitive Analysis, Street Intercepts, scheduled 1-to-1 Interviews, an Online Survey, and Potential Partnership Interviews.

Competitive Analysis

The space for new, novel food offerings is crowded, and only growing more so. Companies like Sprig, Munchery, and Uber Eats seek to deliver high quality, healthy meals directly to individual customers. Eatsa is a compelling venture that delivers inexpensive meals to customers through a fully automated process. Various pop-ups offer increasingly unique, customized food experiences.



However, none of the competitors we identified struck CORE’s balance of quality, health, sustainability, and price. A key differentiator for CORE is to emphasize the supply chain management aspect of the service and the CORE business commitment to B Corporation certification.



Street Intercepts & 1-to-1 Interviews

Based on interviews in the field and through pre-arrangement, the team was able to craft personas of potential customers of the CORE Kitchen. While the proposed menu appealed to people, many expressed reservations over the lack of any clear protein options, wondering if the offerings would be substantial enough for lunch. Social media, such as yelp, was identified as a useful differentiator for restaurant options.

Online Survey

With over 143 respondents, the team was able to gather a wealth of information on people's basic preferences for lunchtime. Some highlights from the survey were-

*72% include some form of **meat** in their diet,*

*72% eat lunch **outside of their workplace.***

*74% value eating **locally sourced** food,*

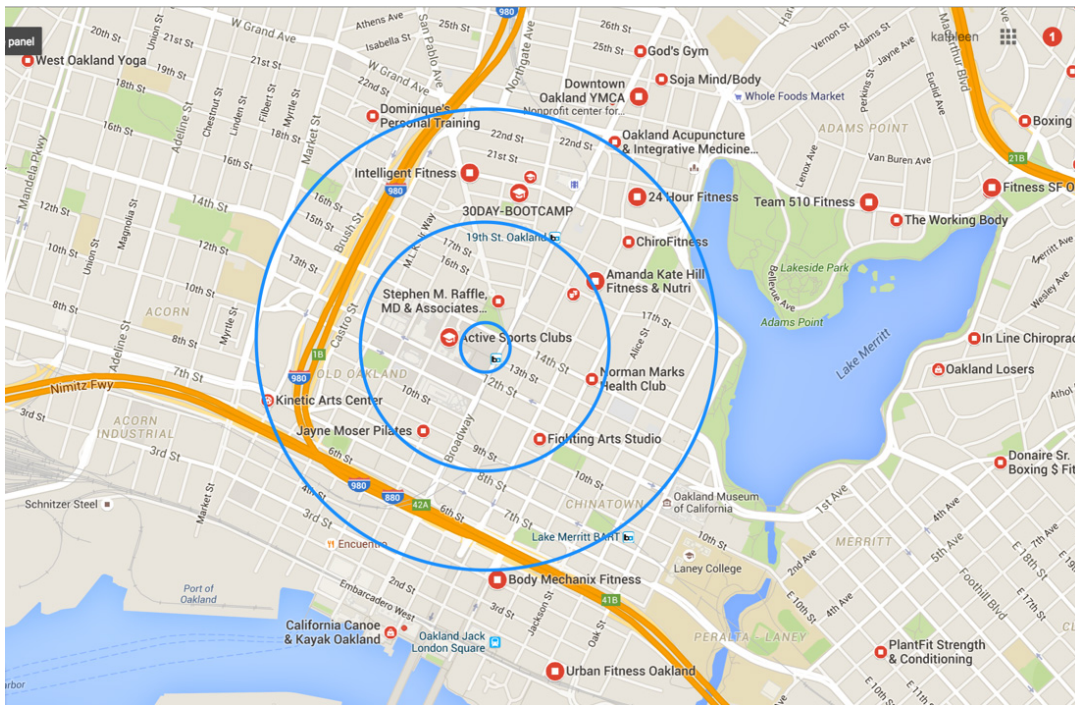
*64% **never eat fast food,***

*53% eat lunch **close to where they work.***

From the survey, the team was able to identify that time, convenience, and taste the most important factors in people's lunchtime decisions.

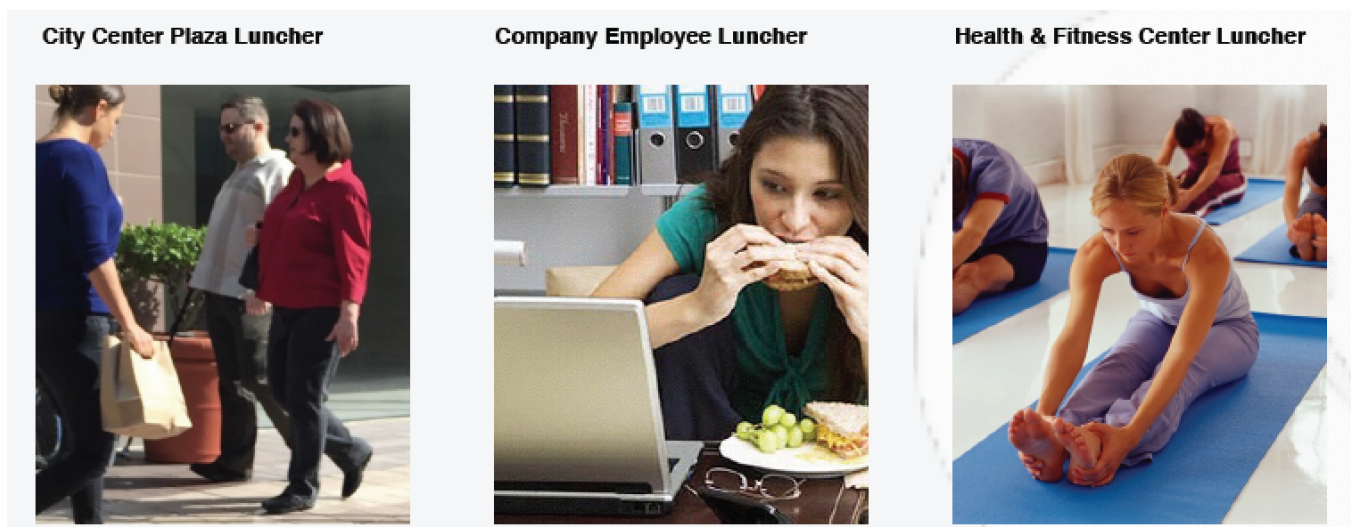
Potential Partnership Interviews

These interviews assessed the viability and relative benefit of various opportunities for the Kitchen to expand its offerings. Such opportunities included regional gyms & yoga studios, as well as area companies with catered lunch needs. The ultimate insight to come out of these investigations was that none such pursuits represented a meaningful boost to the business of the Kitchen; any such pursuits should only be pursued once the Kitchen has proven itself to be sustainable in its own right as a restaurant.



Key Customer Segments & Personas

After conducting our marketing strategy research, we identify 3 key potential customer segments:



From these customer segments, personas were derived and can be used as the basis for further customer research.

(Young) Working Professionals



Marc

29 years old
Works at ask.com
Daily Lunch Diner
Writes Yelp Reviews
Foodie, Taste, Variety
Meat eater, OK with vegetarian



Julia

35 years old
Works at Clorox
Occasional Luncher to meet up with friends
Watches diet, non-vegetarian but eats lots of fruits & veggies

Health Enthusiast



James

28 years old
Works at a Startup
Luncher on-the-go
Works out at Active Sports Club
Vegan, Gluten Free
Environmental conscious

(Older) Working Professional



Joe

45 years old
Works at Wells Fargo
Daily Lunch Diner
Likes deals at Pop-eyes
Meat eater, OK with vegetarian

Our Recommendations

The team has composed **three** recommendations we believe are key to the future success of CORE. While these recommendations are borne out of a focus on the emerging issues of the CORE Kitchen, they should be applied to the company on the whole to ensure lasting benefit.

The team strongly encourages Corey to begin implementing these recommendations promptly at the start of 2016.

1. Operational Frameworks for Human Resources

CORE Foods prides itself on the hard work of its inspired team. The company is purposeful about establishing a robust culture, tapping into the passions of its employees to drive pursuit of the CORE Vision. However, as CORE stands primed for momentous changes to the company, establishing clear Operational Frameworks in Human Resources will be crucial to sustainable growth.

RECOMMENDATIONS

- Clearly define individual position requirements & responsibilities for all CORE team members.

- Establish systems of operational reporting that will flow through a tiered team member organization chart.

ACTION STEPS

1. Develop a CORE company handbook that outlines organization-wide expectations.
2. Within such a document, clearly outline individual position roles.
3. Based on these roles & responsibilities, develop operational metrics that will serve as the bases of annual performance reviews.
4. Incorporate individual team members into the co-creation of such performance goals & indicators.

BENEFITS

- A greater sense of ownership on the part of team members over responsibilities & efforts.
- Enhanced intrinsic motivation through the combination of passion & professional support.
- Increased meaningful collaboration- when individuals are clear on roles, inefficiencies & redundancies are minimized; professional contributions are enhanced.
- Improved flow of communication throughout the company.
- Minimized employee burnout; decreased turnover rates.
- Increased efficiency in new employee onboarding & training, as well as improved professional development of existing employees.
- Easier, more efficient growth and replication of employee best practices as CORE expands in the future.

2. Marketing Strategy Focused on Customer Experience:

CORE Foods has enjoyed substantial growth over the past several years; clearly, they are making a meaningful connection with customers. Such connections will become even more important as the company seeks to establish and grow its new Kitchen venture. Better understanding their customers, and then creating & delivering a distinct experience to these customers, must be one of the central efforts of the company as its focus shifts to the Operations of the Kitchen.

RECOMMENDATIONS

- Continue to perform additional Market Research to further understand who the CORE customer is.
- Acquire a working knowledge of the competitive landscape and understand CORE's positioning within it.
- Adjust the Kitchen experience- menu, signage, set-up, storytelling, and etc.- to reflect these enhanced understandings.

ACTION STEPS

1. Perform qualitative field research- street intercepts, on-site interviews, et al.- to gather findings from public.
2. Provide opportunities for feedback forums, both at Kitchen & for retail customers.
3. Review findings from Market Research to garner insights into the needs & desires of customers.
4. Re-honor key differentiators & core competencies of the CORE business (i.e. sustainability, Gluten-Free & Organic certifications); be sure to clearly communicate these to the public as additional benefits (rather than 'niche signifiers').
5. Perform regular reviews of the competitive landscape, paying special attention to emerging customized & specialty eateries, as well as food delivery services (i.e. Eatsa, Uber Eats, Sprig, additional pop-ups, et al.)
6. Assume an iterative stance in regards to the Kitchen- keep menu & set-up as open to adjustments as costs & operations allow; run regular 'specials' & other tests.
7. Maintain methods of tracking popularity of individual items, as well as relative success of various trials & iterations.
8. Deliberately curate the customer experience- tell a clear 'CORE story' of the food's journey, context, and connection to the customer's health.

BENEFITS

- A feeling of respect for & interest in the customer bolsters loyalty.
- Meaningful relationships with customers convert them into advocates for CORE; they will evangelize for the company and its offerings.
- Clarity around OWN Mission establishes helpful criteria against which all future decisions of development are assessed.
- Maximize efficiency & effectiveness of Kitchen Operations as they pertain to revenue generation from the menu.
- Increased nimbleness allows for CORE to appropriately absorb and respond to unforeseen shocks to the system (i.e. food shortages, new competition, etc.).
- A clear message & confidence in core competencies prevents undue anxiety over competition; CORE does not feel the need to chase trends and/or wasteful/distracting opportunities.
- The establishment of a clear & unique CORE experience opens up the potential to replicate such an experience at future Kitchen sites.

3. Clarify and Align Internal Operations:

The Mission of CORE Foods is an ambitious one. It needs to be. CORE seeks to fundamentally improve the way we as a society think about and interact with food. There are many areas in which CORE could work to make the impacts required to bring about such deep & far-reaching changes. In time, we are confident that the company will be able to achieve such meaningful impacts across a variety of spaces; however, before this can happen, greater clarification, alignment, and even integration of Internal Operations must be achieved.

RECOMMENDATIONS

- Bring enhanced rigor & transparency to Internal Operations, particularly Accounting & Financial Planning.
- Clarify major goals for the business for the next 1,3, and 5 years; be brutally realistic about the capacity needed to pursue these.
- Do NOT entertain other pursuits that are not in direct service to the attainment of these goals.

ACTION STEPS

1. Adopt Generally Accepted Accounting Principles (GAAP) for all purposes of bookkeeping & financial planning.
2. Be sure to honor B-Corp status; perform due diligence on certification.
3. Incorporate conservative variables into financial projections; when appropriate, run multiple scenarios of the same question, using projections of varying conservatism/optimism.
4. Establish clear criteria by which all potential business developments & partnerships can be assessed.
5. Utilize a mindful approach to goal-setting- honor the process and appreciate the need to fully establish the Kitchen's success before aggressively pursuing additional modes of diversification.
6. Delay any sizable pursuit of DSD until the Kitchen has been made dependably profitable.

BENEFITS

- Rigorous, standardized financial practices lend themselves to easy replication at future Kitchen sites, as well as to other CORE pursuits.
- GAAP, B-Corp, et al. inspire greater confidence among both customers and potential investors.
- Presence of conservative projections allows for better preparedness and formation of contingency plans for potential financial stressors.
- Repeatable criteria for business developments breeds both confidence & efficiency when entering into such decisions.
- Increased focus on most pressing matters ensures that sufficient time, energy, and capital are devoted to such initiatives for success.
- Prevent dilution of efforts across too many disparate initiatives; past and current successes can come to be powerful, integrated drivers of future growth.

Cost Analysis

The cost of Core Kitchen includes: human resources, equipment's, rent, construction, ingredient and other requirements (transportation and market). However, the information that we received on line and provided by Corey was incomplete. The preliminary equipment list with inventory of ingredients required to run the kitchen to fulfill the initial menu offering was not fully disclosing so that it could be used to sufficiently build a payback model. We recommend that Core Kitchen should create a specific, clean and strategic cost plan. That includes:

- Rent
- Equipment
- Ingredient
- Construction
- Transportation
- Human resources

With the cost plan, we could figure the percentage of each cost then to see any of those factors could be pressed and changed in a more efficient and effective way.

In the interim, we have proposed a “derived payback model” as a starting point for CORE Kitchen.. These data are pulled from the CORE reports for each year, which contain rounded and unaudited dollar figures. CORE has not provided the total COGS on meals. It is probable that wages have increased each year as a percentage of revenue. There are many unanswered questions that the team had with the limited financial data provided. Did batches have to be recalled or discarded? The steep increase in ingredients for 2013 needs explaining.

	2011			2012			2013		
	Annual \$	%	NOTES	Annual \$	%	NOTES	Annual \$	%	NOTES
Revenue	\$ 370,123	100.0%	CORE online report	\$ 898,532	100.0%	CORE online report	\$ 1,474,000	100.0%	CORE online
Ingredients	\$ 222,074	60.0%	CORE online report	\$ 366,283	40.8%	CORE online report	\$ 868,000	58.9%	CORE online
Wages	\$ 66,622	18.0%	CORE online report	\$ 179,706	20.0%	estimate	\$ 390,000	26.5%	CORE online
Business expense	\$ 22,207	6.0%	CORE online report	\$ 217,616	24.2%	estimate	\$ 365,000	24.8%	CORE online
Net Income (loss)	\$ 59,220	16.0%	Extrapolated from above Core %s	\$ 134,927	15.0%		-\$ 149,000	-10.1%	
"Healthy Meals"	unknown			300,000			500,000		
Wholesale price per meal				\$3.00			\$2.95		
Retail price per meal				\$4.00			\$4.00		

Project Timeline

Consulting Team Activity	Client Activity	Start Date	End Date
Residency 1: Ops Strategy Class	Tim Smith provides project brief and teams form	8/23/15	8/25/15/
Meeting with Corey Rennell onsite	Discuss how team with work with Corey	9/10/15	8/10/15
Residency 2: Ops Strategy Class	Share progress on developing Ops Strategy	9/27/15	9/27/15
Onsite Meeting @ Core Kitchen	Observe the Kitchen location	9/27/15	9/27/15
Zoom Meeting with Corey Rennell	Obtain more information to proceed with Ops Strategy, gave a presentation	10/9/15	9/3/15
Residency 3: Ops Strategy Class	Presentation to class on research and draft ops plan	10/18/15	10/18/15
Zoom Meeting with Corey Rennell	Obtain more information to proceed with Ops Strategy, gave a presentation	10/28/15	10/28/15
Residency 4: Ops Strategy Class	Gave status update on project progress	11/15/15	11/15/15
Residency 5: Ops Strategy Class	Presentation to class final ops recommendations for CORE Kitchen	12/13/15	12/13/15

Consulting Team Bios



Thomas E. Bendon

Educator & Design Strategy MBA Candidate at CCA

Seven years of professional experience in the education industry, informed and knowledgeable about important trends impacting the development of the education industry, as well as keeping up to date and on the lookout for exciting and significant innovations to the way instructors teach and students learn.



Xinyun (Lexy) Guo

Assistant of manager mentor at Station Digital Media, Inc.

UDG, Visual Designer, Marketing Coordinator) Native of Shanghai, China. Before Lexy came to San Francisco for California College of Arts' MBA in Design Strategy program, she had been working as a visual designer and marketing coordinator with UDG Shanghai for three years.



Gregory Stock

Design Strategist & Public Affairs Director | Building better futures for diverse organizations

A design strategist focused on working collaboratively, building partnerships across sectors and utilizing design to solve our most pressing problems of our time. Creativity and the arts play crucial roles in building resilience in communities.



Kathleen R. Watson

UX Design Strategist

Kathleen Watson has been User Experience (UX) Designer and Strategist for over 25 years, working on a diverse range of projects across multiple disciplines including interaction design, user research, print design, identity and web. Her experience working with startups and Fortune 500 companies during a revolutionary digital and technological boom uniquely positions her as a well-rounded professional with a deep understanding of all phases of branding, market strategy, service and product design development

Appendix:

Supporting material in CORE Kitchen Project Activities

Appendix A – CORE Foods SWOT Analysis

Strengths	Weaknesses
5 year lease on centrally located (BART station), 'happening' area	Lack of experience running a brick & mortar, customer-facing establishment
Diners can feel good about menu's healthy & attractive options	Unprepared for countless 'unknown unknowns'
CORE's experience in community outreach & engagement	Lack of expertise and robust efforts in Communications (esp. Branding & Social Media)
Welcoming, bright, pleasant atmosphere	Highly specialized, potentially polarizing menu
Motivated team with high conviction to CORE's Mission	Potential to be dismissed as overly 'niche' (i.e. relegated to 'vegan food')
Pre-existing brand loyalty from retail presence	Lack of experience establishing, developing, and scaling a restaurant
Several years experience creating healthy, appealing 'meals' [bars]	Tenacious Founder/CEO potentially out-of-touch with consumer demands...
Financing sources believe strongly in CORE's Mission	May be unwilling to adapt model to best meet existing needs & desires
Opportunities	Threats
Lack of existing healthy options in the area	Existing mobile food delivery services (i.e. Sprig)
Lunch partnerships with area companies	Existing food trucks & carts can easily maneuver into the area
Events, workshops, etc. to feed grass-roots promotional campaigns	Pre-established habits of area lunchers to entrenched to overcome
Leverage 'CORE Challenge' to drive greater customer traffic to Kitchen	Uninformed customer base content with less 'healthy' options (i.e. JambaJuice)
Utilize avenues of Communication (i.e. Social Media, Traditional Ads) to raise visibility	Promotional and/or adaptive responses of existing eateries to retain customers
Strategic Alternative Growth Pursuits (i.e. food truck/carts, deliveries to yoga studios)	Over-estimating Kitchen's appeal + Under-estimating logistical requirements = inefficient, ineffective, chaotic opening & subsequent running of Kitchen
	Employee burnout hurts Operations and Growth

Appendix B – 1-to-1 Potential Customers: Interview Guide

CORE Interview Guide

Date | September 14, 2015

Place, Time | 499 14th St Suite 118, Food Court, Oakland, CA 94612

Interviewer(s) | Kathleen, Gregory

Being Interviewed |

Intro

Hi, we're students at the California College of the Arts and we're conducting brief interviews with people who work in this area and come to lunch in places like this food plaza. Do you have a few minutes to chat today about your lunchtime patterns and preferences any information about your place of work / company policies are around lunch?

We're very interested in hearing your stories and experiences but want to respect any time constraints you may have in returning to work and other things you need to do today.

General (5 minutes)

- Can you tell us a little bit about yourself – what do you do, where you work, etc.?
- What are your general work hours? When do you usually take lunch? How long?
- What is your all-time favorite activity to do when you're not working?

- How important is:

	--1-- Not important	--2--	--3--	--4--	--5-- Very important
Taste					
Health					
Convenience					
Ambiance					
Variety					
Price					
Environmental Impact issues					

Appendix C – Potential Partners: Interview Guide

Interview Questions

- How many employees/patrons are in this facility during lunch hours? (get a sense for size/capacity)
- What are the typical lunch hours of your employees/patrons? Where do they usually dine? (at their desks? bring their own lunches?)
- How many lunch events does your company hold per week/month/year?
- What is the average size of company lunches?
- Do you bring in caterers?
 - If yes:
 - who do you bring in regularly?
 - do you have contracts with any catering food suppliers?
 - how often?
 - is there a budget for these events?
- Do you provide a snack and/or lunch eating area? How big? How occupied?
- Do you have a cafeteria?
- What kinds of food/snacks do you provide or serve your employees/patrons?
- Would you be open to serve prepared Core meals (if given a refrigerator)? How do we go about arranging this?

Appendix D – Business Model Canvas

<p>Key Partners</p> <p>WholeFoods</p> <p>Organic Farm Suppliers -- Premier Organics -- Carbonfree.org -- Other suppliers?</p> <p>Health Conscious Companies -- Jawbone, -- Future relationship with Ask.com, Clorox, Urber, other?</p> <p>Truck Rental Companies (distribution) -- Kehe</p> <p>Food Truck & Cart (rental vs. purchase) -- What is the future plan?</p>	<p>Key Activities</p> <p>1. Making food -- Establish menu -- Food production</p> <p>3. Hiring Staff -- Lead chef -- Operations management & delivery -- Kitchen food production employees</p> <p>3. Inventory / ingredient storage & tracking -- ??</p> <p>4. Promotion and increase adoption of the program Advertising, marketing, admin, etc.</p>	<p>Value Propositions</p> <p>Working people / employees -- Convenient & saves time by removing shopping, meal prep, cooking, serving logistics -- Peace of mind that what they are eating contains daily vitamin requirements for a given meal -- Don't have to "think about it" getting well-rounded healthy nutrition in a single meal</p> <p>Health conscious / workout type -- Immediate no-brainer choice for lunch -- Healthy choice doesn't undo fitness efforts</p> <p>Companies -- Maintain overall health of current employees, which reduces absenteeism due to health-diet causes -- Recruit employees aligned with health -- Build better image for social impact.</p> <p>Employees -- Better health</p> <p>Health insurance companies -- Decrease healthcare expenses due to diet induced health problems</p> <p>Society/Earth -- Promoting progressive corporation cultural values</p>	<p>Customer Relationships</p> <p>Oakland / Bay Area progressive companies -- Chlorex, Ask.com, Uber -- Developing partnerships with socially aware companies</p> <p>DSD Retail Stores -- Whole Foods</p> <p>Health Clubs / Yoga Studios -- Active Sports Club -- (other??)</p> <p>CORE Challenge -Is this growing? (Are there systems/structures in place to track this?) -Does it contribute to sales growth?</p> <p>Channels</p> <p>Recognition: -- Company websites -- CORE's online website -- KickStarter web page (fundrasier) -- Brochure</p> <p>Value Evaluation: Corporations who adopt lunch program.</p>	<p>Customer Segments</p> <p>Health-conscious athletes & people who work out -- people (20 - 45) who exercise on a regular basis who make conscious healthy food choices</p> <p>Working people on-the-go -- working professionals who don't have time for meal prep logistics</p> <p>Environmental - diet purists - Vegans - Vegetarians -- people who carefully choose non-meat or non-dairy food that is socially responsibly sourced</p> <p>Retail stores -- sell locally grown & sourced read-made food</p> <p>Health conscious companies -- Companies who provide meals and food benefits to employees with restricted lunch times</p>
<p>Cost Structure</p> <p>Cost Driven: -- Loans to jump start the company, ingredients, equipment, staff -- Funding to establish new and maintain existing retailers to carry CORE products and meals -- Funding build truck & cart distribution system</p> <p>Fixed Costs: Facilities costs, "shelf space" @ DSM, frig's, website.</p> <p>Variable Costs: advertising & marketing, ops & support staff salaries</p>		<p>Revenue Streams</p> <p>Health-bar purchases -- Wholefoods & other retail outlets -- Yoga studios -- Online purchases through Amazon & CORE Foods website</p> <p>CORE Kitchen meal sales -- Cold & Hot @ CK & DSDs</p>		

Appendix F – Online Survey

Lunch Time At Work

Hello friends & colleagues! We are trying to gain insights into what people like to do for lunch when they are doing a typical work day. Your valuable feedback is being gathered for Kathleen, Lexy, Tom & Gregory's Team Flavor DMBA project. It should take only about 5 minutes. If you want to talk more about this, we'll take you out to lunch...our treat!

What are your typical lunch hours during the week?

- I don't typically eat lunch or take a lunch hour
- 11 - 12
- 11:30 - 12:30
- 12 - 1
- 12:30 - 1:30
- Other:

What general location do you work?

[Enter your Zip code or city]

How would you describe your general dietary eating pattern?

- OMNIVORE (consume both animal and plant-based foods in varying ratios)
- SEMI-VEGETARIAN (eat mostly vegetarian diet, eat occasional meat but not strict)
- VEGETARIAN (anyone who abstains - whatever the frequency - from eating meat)
- VEGAN (excludes animal-derived product from the diet – no meat, game, fish, poultry, dairy and eggs)
- GLUTEN - Free or other dietary restrictions (allergies, etc)
- Other: