



*The Mufe*

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## **SECTION 2: EXECUTIVE SUMMARY**

Boston-based The Mufe Coffee Shop is a pop-up music-engaging coffee shop that provides people with an unforgettable music immersive experience. A Coffee shop is a place where people can study, work, chill, and meet new people. The first pop-up coffee shop will be based in Boston, then after 3 months, the coffee shop will be pop-up in another city in the United States. As a pop-up store, The Mufe is able to be spread to more locations and countries and entertain more people in the world. The founder Mimi Fu is a student from Berklee College of Music, who is majoring in Professional Music and concentrating in Music Business and Performance. Thus, Mimi wants to mix music events with coffee shops not only to make her customers enjoy the music and the time in the coffee shop but also to provide opportunities to talented musicians and artists. Events include but are not limited to live performances, open mic, guest speaking, and CD exhibitions. Everyone with a passion for music or who love to spend their time in a coffee shop is welcome to The Mufe.

## **SECTION 3: FOUNDATIONS OF THE BUSINESS**

### **Description of Business**

This business is a pop-up music coffee shop that contains different kinds of music events, for example, live performances, guest speaking, and music-related exhibitions.

### **Company History**

The founder of The Mufe, Mimi Fu, started as a classically trained musician who started playing piano at a young age around three. She first intended to become a classical pianist, so she went to Ohio State University<sup>1</sup> to study piano performance with Dr. Caroline Hong<sup>2</sup>. After a two-year study, she gradually discovered her interest in contemporary music and singing, as well as her interests in management and the media area. Thus, she made the decision to transfer to Berklee College of Music<sup>3</sup>, majoring in Professional Music, with concentrations in music business and performance. During her time at Berklee, she took courses about business management and entrepreneurship, and she discovered her passion for artist management and event planning. Also, as a musician, Mimi cherishes every opportunity to perform on stage, so she wants to provide more stages to musicians like her as well.

### **Company Vision**

The vision of the company is to become one of the newest and most famous companies that organize pop-up music coffee shop events. In 10 years, the goal of the company is to have pop-up music coffee shops in different cities and even different countries.

### **Mission Statement**

Opening a coffee shop has always been one of Mimi's dreams because every time she sits in a coffee shop, she is able to enjoy the calm moments. Mimi considers a coffee shop a place that allows people to communicate, perform, exhibit, and do other social activities. With concentrations in music business and performance, Mimi not only understands the importance of performance opportunities to musicians but also wants to provide more stages to those musicians like her. Besides, different kinds of music events for example guest speaking, CD exhibitions, and engaging jams will be offered which will not only provide a platform for musicians and artists to showcase their talents, and also enable music lovers to enjoy these music events.

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<sup>1</sup>[Ohio State University](#): Discover Ohio State, the highest-ranked public university in Ohio, is home to the Wexner Medical Center and world-class graduate and undergraduate programs.

<sup>2</sup> <https://carolinehong.net/about/>

<sup>3</sup>[Berklee College of Music](#): Berklee is the premier institute of music and the performing arts, offering degrees at its campuses in Boston, New York City, and Valencia, Spain

## **Social Entrepreneurship**

Mimi cares about the uniqueness of musicians, and whether they can get opportunities to show their uniqueness. Thus, she wants this business to become a great platform to help musicians to tell their stories. As a music lover and an audience, Mimi also wants the public to embrace more beautiful music, and really experience that. There will also be a donation of 15% of the income of the business, and the donation will be given to charities<sup>4</sup> that focused on music education for younger generations. Besides, The Mufe will open pop-up stores in some places which don't have mature music education sources, for example some countries in Africa. By doing this, Mimi wants to spread the joy of music to more places and educate more music lovers.

## **Business Profile: Goals and Objectives**

For the first year, the coffee shop plans to get a profit of about \$120,000, which will help with future works like purchasing coffee machines, audio equipment, and instruments renting or buying. In the first year of business, the coffee shop will operate services and events including, regular coffee shop services, live performances, artist guest speaking, open mic, and CD exhibitions. The profit will not only come from these events, but also from merchandise selling, for example, coffee cups, mugs, T-shirts, and other music-related souvenirs like CDs. For every event, Mimi plans to have an audience capacity of around 30, and each ticket will cost \$15. For merchandise, the coffee cups and mugs will cost \$18 each, and the T-shirt will cost \$15. For music-related souvenirs, the CD and the photobook will both cost around \$18 each. One cup of coffee will cost about \$4, and the daily sale of coffee is around 100 cups. Besides, Mimi plans to open 3 pop-up stores around the Boston area in the first year, and ideally 3 months each.

## **REVENUE CHART:**

<b>Strategic Business Unit (SBU)</b>	<b>Projected Weekly Sales in Units</b>	<b>Projected Monthly Sales in Units</b>	<b>Project Monthly Revenue</b>	<b>Projected Annual Revenue</b>
<b>Ticket Sales</b>	<b>60</b>	<b>240</b>	<b>\$3,600</b>	<b>\$43,200</b>
<b>T-shirts</b>	<b>8</b>	<b>32</b>	<b>\$480</b>	<b>\$5,760</b>
<b>Coffee cups mugs</b>	<b>10</b>	<b>40</b>	<b>\$600</b>	<b>\$7,200</b>

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<sup>4</sup> Here are some examples of nonprofit organizations that focusing on music education:  
<https://blog.sonicbids.com/4-awesome-nonprofits-that-are-saving-music-education>

<b>CDs</b>	<b>10</b>	<b>40</b>	<b>\$720</b>	<b>\$8,640</b>
<b>Photobook</b>	<b>10</b>	<b>40</b>	<b>\$720</b>	<b>\$8,640</b>
<b>Coffee</b>	<b>700</b>	<b>2,800</b>	<b>\$11,200</b>	<b>\$134,400</b>

**TOTAL PROJECTED INCOME: \$ 207,840**

**Business Profile: Key Leadership in Your Organization**

Mimi Fu, founder, chairwoman & CEO of the business. Mimi is a singer, pianist, and music director, and will be in charge of the management of The Mufe.

The coffee shop also needs talented musicians who have a passion to showcase their music, and love to communicate with people. Mimi will find a group of this kind of musicians who have the same inspiration as her to operate the business together.

**Business Profile: Form of Business Ownership**

The business will be an LLC. It provides legal protection to the owners' personal assets, so they will not be influenced by the company's situation. Also, it is more economical compared to a corporation since it avoids facing corporate taxes.

## **SECTION 4: INDUSTRY AND MARKET RESEARCH**

### **A. General and Target Market Description**

#### **General Market:**

The two major industries that The Mufe is focusing on are the coffee shop industry and the music industry. In the music industry, The Mufe also has an emphasis on live performances and exhibitions.

According to the data in Coffee Market Report May 2022, provided by the International Coffee Organization<sup>5</sup>(ICO), the coffee industry is recovering from the pandemic starting from 2020. Thus, the reboot of the coffee industry influences the coffee market all over the world as well, and more people are getting back to coffee shops and cafés. The live music industry is also recovering from the pandemic and will reach the worth of 31 billion worldwide by 2022 according to the Music Business Association. So, these two industries all have a positive future. In order to open a coffee shop, besides all the coffee equipment, Mimi also needs permits and licenses including the Business License, the Retail Food Service License, the Live Entertainment license, and Coffee Shop Insurance.

#### **Target Market:**

The target audience and customers would be coffee drinkers and music lovers all around the world. Those customers may have different gender, ages, races, and educational backgrounds, but with the same passion for live music performances, and music exhibitions, and would love to spend time in a coffee shop to chill and meet new people.

### **B. Product/Service Description**

The Mufe provides coffee, live music shows/exhibitions, and merchandise (i.e, coffee cups and mugs, t-shirts.) Customers can buy coffee and merchandise in the coffee shop, but there will also be an online website where customers can purchase merchandise and tickets for the events online by themselves.

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<sup>5</sup> [The International Coffee Organization](#) (ICO) is the main intergovernmental organization for coffee, bringing together exporting and importing Governments to tackle the challenges facing the world coffee sector through international cooperation.

### C. Product Comparison

Competitors	1. Hard Rock Cafe <sup>6</sup>	2. Blue Note <sup>7</sup>	3. The Bebop <sup>8</sup>
<b>Products/Services</b>	Dining services, hotel services, Casino, merchandise, live performances, event/party services.	Dining services, jazz live performances, jazz festivals, travel services, cruise, and merchandise.	Dining services, live performances(open mic, 5 pm Berklee showcase...)
<b>Price</b>	Most of the food on the menu is from \$4-\$20. The T-shirt merchandise is around \$30. Some of the live music concerts are free to the public as long as they are customers of the restaurant.	There is a \$5 minimum spend per guest required on all ticket types <sup>9</sup> . The ticket price is based on the seating and the performances. For example, the Table Seating costs \$45, and the Bar Seating costs \$30 <sup>10</sup> .	Most of the food is below \$20. The live performances and events are usually free but you would have to order food while you have a table.
<b>Place</b>	It's all over the world, including North America, South America, Europe, and Asia. There is also a café in Boston.	New York, Hawaii, Napa, Tokyo, Rio, São Paulo, Milan, Beijing, Shanghai	Boylston Street, Boston
<b>Promotion</b>	Online websites	Online websites, but there are also specific promotion strategies for different areas. For example, Blue Note in China creates official accounts on WeChat to attract more Chinese customers.	Online Website, and also offline posters and notice in front of the location.

<sup>6</sup> [Hard Rock Cafe](#)

<sup>7</sup> [Blue Note](#)

<sup>8</sup> [The Bebop](#)

<sup>9</sup> Take Blue Note New York as an example.

<sup>10</sup> For the show Dave Holland & Kenny Barron Trio With Johnathan Blake from June 24 - 26.



## **D. SWOT Analysis**

### **Strengths**

Instead of other competitors who offer various kinds of dining services, The Mufe would be focused on coffee making and desserts, which would be a perfect place for coffee lovers to spend their time with. The reason why The Mufe would be focused on coffee making is that Mimi wants to create an environment where people are able to immerse themselves in the music, instead of in a noisy restaurant with the smell of food. Besides, The Mufe will not only have two special events per week which cost only \$15 per person, but also offer various free events, for example, open mic, and jam sessions for people who are interested in the rest of the nights every week. Besides, since the format of the business is a “pop-up” store, it gives more flexibility to the location so that The Mufe can be spread to more locations with more customers around the world.

### **Your Weaknesses**

One of the biggest weaknesses of the business is that there is a limited variety of food. Due to this reason, people would not choose The Mufe as a restaurant to have dinner. Besides, there are already many experienced and successful competitors in the industry, so people might not be familiar with this new brand. Also, since this is a pop-up coffee shop, it's hard to have loyal customers because of its varied locations.

In order to solve these problems, Mimi decided to make marketing and promotion an important part of the business in the first year in order to make The Mufe a more widely known brand. Also, Mimi is considering adding desserts to the menu, so that there are more food options for the customers instead of just offering drinks. Regarding the problem of loyal customers, Mimi will focus on marketing the brand of the business, once the brand becomes widely known, there will be more loyal customers coming for the brand.

### **Your Opportunities**

Even though The Mufe is brand new in the industry, there is still a positive future for the business. First, the coffee industry is recovering from the pandemic, so there are more people who are “thirsty” about the dine-in coffee shop. Besides, adding the live music portion to the business makes the coffee shop more varied, energetic, and colorful as well, which is able to attract more customers as well.

### **Your Threats**

The two threats that The Mufe will be facing are the lack of customers and limited resources for collaboration. These are all because The Mufe is a new business that doesn't have a reputation yet, besides, there are also a few competitors already successful in the industry. In order to overcome these threats, The Mufe will first be collaborating with students and faculties from Berklee College of Music based on the connections of the founder/CEO Mimi. In addition, during the first month of operation, The Mufe will be focusing on marketing promotion, and offer special price or free entrance for the music events to attract more customers and audience.

## **SECTION 5: MANAGEMENT AND ORGANIZATIONAL STRUCTURE**

### **Description of the Management Team:**

**CEO/Founder:** In charge of the overall operations of the business, monitoring and communicating with the managers in Café, Stage, and Marketing team to make sure that everything is tracked. Mimi Fu will take the role of CEO. She is knowledgeable about live music performance and has a strong interest and passion in coffee and business management, which can help the company to succeed.

**Café Manager:** Who has prior experience working in a coffee shop, and should be knowledgeable in café management. They should be organized, with good leadership and communication skills.

**Marketing Manager:** In charge of marketing promotion and advertising. People with experience for example poster design and media operation would be preferred.

**Stage Manager:** The leader of the stage/event team. They should have strong communication and management skills.

### **Leadership Philosophy:**

Mimi's leadership philosophy is to create a relaxing and enjoyable environment for both the employees and the customers. Mimi is not an authoritarian so she will provide more freedom to her employees to let them figure out what will be best for customers in their own way. Mimi will also be a very motivational leader to motivate the team by providing awards or opportunities in future work. For the company culture, Mimi is aspiring to create a friendly and helpful environment so that the employees can bring this chill environment to all the customers in the coffee shop. All employees are able to help each other in their daily work instead of having a strong tension of competition. Mimi welcomes both full-time and part-time employees, for example, the performers can be students from Berklee College of Music, and the coffee makers can also be college students who are willing to make some money in their free time and also want to experience the musical environment. Employees can have benefits such as free live show tickets, and free coffee every day.

### **Organization:**

**CEO/Founder:** In charge of the overall operations of the business, monitoring and communicating with the managers in Café, Stage, and Marketing team to make sure that everything is tracked. Mimi Fu will take the role of CEO. She is knowledgeable about live music performance and has a strong interest and passion in coffee and business management, which can help the company to succeed.

**Café Manager:** In Charge of the coffee shop operation. Managing the Café Team and responsible for communicating with the team members and other team leaders.

**Coffee Maker:** People in charge of making coffee. People with previous experience would be preferred.

**Cashier:** They should have good communication and problem-solving skills.

**Marketing Manager:** In charge of marketing promotion and advertising. Who is responsible for event promotion on social media and poster making.

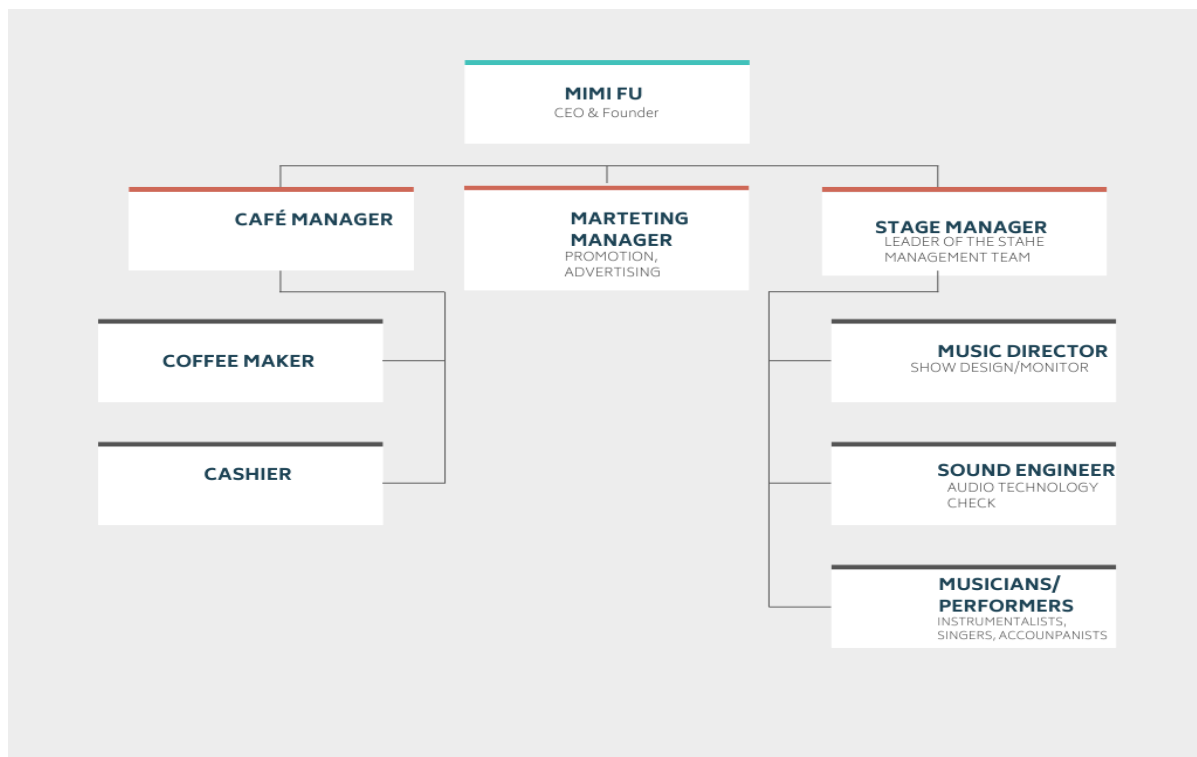
**Stage Manager:** The leader of the stage/event team. In charge of supervising all the work of different events.

**Music Director:** Help with performance and exhibition design, and organize. They should have strong communication skills and musical backgrounds.

**Sound Engineer:** In charge of making sure the audio equipment is working properly doing the performance. Help the performers to do sound checks before the performance. People with backgrounds in music production are preferred.

**Musicians/Performers:** Instrumentalists, and singers, who have strong accompaniment and improvisational skills. Past performance experience is required.

## Organizational Chart



## Description of Business Systems

The Mufe will have an official website for sharing information for example the menu and the event calendar. The event calendar will be updated once a month, so the customers can check the events for next month on the calendar. There will also be a mobile application for The Mufe which has similar information but is more convenient to use.

**Location and Equipment Needs:**

The home base of The Mufe is Boston, and the first pop-up store will be open in Boston. Every three months, The Mufe will “travel” to another location to start a new pop-up coffee shop in order to spread music to more people. As a coffee shop, The Mufe needs basic coffee equipment like coffee machines, coffee cups and mugs, and also other tablewares like forks, knives, and plates. Besides, for the live performances, The Mufe needs instruments, lights, and some audio equipment. To start up, The Mufe will have 1 drum set, 8 cables, 4 mics, 4 mic stands, 6 music stands, and 1 PA station.

**Customer Service Policy:**

The Mufe would have special “Free Taste” events during the first week of the opening and on some special holidays. By doing this, the company is able to build a stronger customer base, so that people know how the coffee tastes and would not be disappointed. Besides, during regular business hours, if the customers are not satisfied with the drinks, no matter what the reason is, the employees are responsible for making a new one for free.

For other events like live performances and exhibitions, the VIPs<sup>11</sup> are able to enjoy a certain discount for the price, and The Mufe would also provide front seats to those people. Also, there is a free cancellation policy up to 24 hours before the show, but customers are not able to get their refund for cancellation within 24 hours before the event starts.

**Plans for Growth:**

The main goal of the business is to become one of the most popular and recognizable Pop-up music coffee shop brands in the Boston area, and also organize more pop-up coffee shop music events all around the world, and provide stages for more talented musicians. As The Mufe succeeds over time, Mimi will delegate the operation of the coffee shop to others and focus on helping the development of musicians and artists. Mimi also plans to collaborate with particular artists and sign performance contracts with those artists in the future.

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<sup>11</sup> There are two ways to join the VIP system, the first one is to recharge money in an account for the coffee shop, another way is to become a loyal customer of The Mufe. For example, to come to the performances every week for at least a month.

## **SECTION 6: MARKETING AND SALES**

### **Introduction:**

The goal of the company is to become one of the most popular music coffee shops that are able to have several chain stores in different major cities around the world. To achieve this, there are a few steps that The Mufe can do:

1. Research and identify ideal customers.
2. Find the ideal platform and social media to promote.
3. Adjust the strategy based on the numbers and results from the previous activities.

The Mufe's marketing strategies include:

- Introduce the business' content and events introduction on social media(Websites, Instagram) including keywords like "coffee", "live music", "chill", "social", etc.
- Collaborate with students' clubs from Berklee College of Music, not only providing them a stage to perform but also asking them to help with the promotion of the events.
- Promotion with the interview and stories of the artists whom The Mufe invited as guest speakers.
- Encourage word-of-mouth marketing from old customers.
- Attend open market events<sup>12</sup> in the Boston area, and offer coffee and live music performances to attract customers.
- Pre-heating marketing to introduce which city will The Mufe appear next to attract customers' attention. Use slogans like "WHERE'S NEXT" and use them on posters and trailers on social media.

### **Description of marketing mix**

The main focus of The Mufe's marketing method is through online advertising and social media. Here are some examples of how advertising works:

- The official website would be the place where most of the information is included. Information about the menu, locations, events introduction, and table reservations are available on the website.
- Besides the websites, similar contents are also available on mobile Apps.
- Instagram would be the place where most of the event posters and notices are posted. For example, every time The Mufe is going to open a new pop-up store in a new location, there will be a pre-heat poster<sup>13</sup> and video trailers on Instagram.
- On Tik Tok, there will be content like clips of live performances, coffee reviews, coffee shop tours, and other music events experience sharing be posted.

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<sup>12</sup> For example the [SoWa Open Market](#).

<sup>13</sup> Here is an example of a similar pre-heat poster strategy made by YG, a K-pop entertainment company in Korea. ["Who Is Next?"](#)

## **Pricing philosophy**

In the first year of business, the coffee shop will operate services and events including, regular coffee shop services, live performances, artist guest speaking, open mic, and CD exhibitions. The profit will not only come from these events, but also from merchandise selling, for example, coffee cups, mugs, T-shirts, and other music-related souvenirs like CDs. For every event, Mimi plans to have an audience capacity of around 30, and each ticket will cost \$15. For merchandise, the coffee cups and mugs will cost \$18 each, and the T-shirt will cost \$15. For music-related souvenirs, the CD and the photobook will both cost around \$18 each. One cup of coffee will cost about \$4, and the daily sale of coffee is around 100 cups.

## **Sales/distribution methods**

The “sales channels” of The Mufe contain both in-store and online ones. There are coffee and merchandise sold in-store, but there are also online websites that contain not only the information and menu of the coffee shop, but also allow the customers to purchase tickets for the events, shop for merchandise, and even order coffee online and pick it up at the store. There will also be a mobile App for The Mufe, which is easier and more convenient for customers to use.

## **Strategic Alliances**

Berklee College of Music would be one of the biggest partnerships with The Mufe. This is not only because Mimi, the founder of The Mufe, is an alumni of Berklee, but also because Mimi wants to make more connections with Berklee musicians and artists so that there are more performance opportunities for the students and alumni of Berklee. The Mufe will also partner with Berklee Career Center<sup>14</sup> to offer more job opportunities for students from Berklee, and as a return, Mimi hopes Berklee are able to provide some live performance equipment for example instruments and PA systems for The Mufe.

## **Three competitors:**

Three competitors of the company are the Hard Rock Café, Blue Note, and The Bebop. All of these competitors offer both dining and entertainment services, and two of them have stores all over the world. However, as they don't have a focus on a specific type of dining, The Mufe will be positioning a music coffee shop that has a focus on coffee making and music instead of general dining. The reason why The Mufe would be focused on coffee making is that Mimi wants to create an environment where people are able to immerse themselves in the music, instead of in a noisy restaurant with the smell of food.

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<sup>14</sup> [Berklee Career Center](#)

Competitors	4. Hard Rock Cafe <sup>15</sup>	5. Blue Note <sup>16</sup>	6. The Bebop <sup>17</sup>
<b>Products/Services</b>	Dining services, hotel services, Casino, merchandise, live performances, event/party services.	Dining services, jazz live performances, jazz festivals, travel services, cruise, and merchandise.	Dining services, live performances(open mic, 5 pm Berklee showcase...)
<b>Price</b>	Most of the food on the menu is from \$4-\$20. The T-shirt merchandise is around \$30. Some of the live music concerts are free to the public as long as they are customers of the restaurant.	There is a \$5 minimum spend per guest required on all ticket types <sup>18</sup> . The ticket price is based on the seating and the performances. For example, the Table Seating costs \$45, and the Bar Seating costs \$30 <sup>19</sup> .	Most of the food is below \$20. The live performances and events are usually free but you would have to order food while you have a table.
<b>Place</b>	It's all over the world, including North America, South America, Europe, and Asia. There is also a café in Boston.	New York, Hawaii, Napa, Tokyo, Rio, São Paulo, Milan, Beijing, Shanghai	Boylston Street, Boston
<b>Promotion</b>	Online websites	Online websites, but there are also specific promotion strategies for different areas. For example, Blue Note in China creates official accounts on WeChat to attract more Chinese customers.	Online Website, and also offline posters and notice in front of the location.

<sup>15</sup> [Hard Rock Cafe](#)

<sup>16</sup> [Blue Note](#)

<sup>17</sup> [The Bebop](#)

<sup>18</sup> Take Blue Note New York as an example.

<sup>19</sup> For the show Dave Holland & Kenny Barron Trio With Johnathan Blake from June 24 - 26.

## SECTION 7: FINANCIAL INFORMATION

### Cost of Doing Business

To start up this business, most of the larger expenses are related to lease rent, live performance equipment, licenses and permits, and also coffee machines. For live performance requirements, The Mufe needs 1 drum set<sup>20</sup>, 8 cables<sup>21</sup>, 4 mics<sup>22</sup>, 4 mic stands, 6 music stands<sup>23</sup>, and 1 PA station. Other requirements like lighting are also needed. Besides those main expenses, there are also some smaller expenses which include advertising, furnishing, and other supplies. Mimi would like to find a crowdfunding platform<sup>24</sup> to help with the start-up expenses.

### Start-up Expenses:

Start-up Expenses	Description	Amount
Advertising	Promotion for opening the business, Social Media boost post ads	\$200.00
Print Advertising	Posters/flyers/business cards	\$40.00
Photographer	Band photos, tour photos, etc.	\$100.00
Graphic Designer	CD artwork, logo, banner, etc.	\$100.00
Web Designer/Web hosting	Initial cost	\$100.00
Equipment	Gear, lights, PA, amps, mics, stands, instruments, cables, etc.	\$1,500.00
2 Square Readers	To accept credit cards,	\$200.00
Stage decorations	Carpets, projected images, banners, etc.	\$200.00
Starting inventory/cogs	cost of goods sold: cd's/vinyl, t-shirts, stickers, download cards, etc.	\$200.00
Licenses and permits	Setting up your business form, DBA, zoning, etc.	\$1,000.00
Insurance	Coffee shop insurance	\$500.00
Rent or lease	Fee to be paid before opening (first/last/security)	\$2,000.00
Coffee shop decorations	Paint, plants, artwork, etc.	\$350.00
Coffee shop equipment	Phone system, computer, etc.	\$170.00
Coffee Machine	Estella Caffe ECEM2 Two Group Automatic Espresso	\$3,000.00

<sup>20</sup> [Clearance Rogue 5-Piece Complete Drum Set Wine Red](#)

<sup>21</sup> [Livewire Advantage Instrument Cable 10 ft. Black](#) and also [Livewire Essential XLR Microphone Cable 50 ft. Black](#)

<sup>22</sup> [Shure SM58 Dynamic Handheld Vocal Microphone](#)

<sup>23</sup> [Musician's Gear Tripod Mic Stand With Fixed Boom Black](#)

<sup>24</sup> [Kickstarter](#)



	Machine - 220-240V <sup>25</sup>	
Coffee shop furnishings	Chairs, tables, lamps, desks, waste baskets, fridge, microwave, oven, etc.	\$300.00
Coffee shop Supplies	cleaning supplies, etc.	\$80.00
Remodeling		\$500.00
Contractor	See above - fees for the contractor for remodeling	\$500.00
Cable/Internet	Installation fees	\$200.00
<b>Total Start-Up Costs</b>		<b>\$11,240.00</b>

**Cash Flow Expenses – Monthly Expenses**

<b>SERVICES</b>				\$0.00
Photographer	Hiring every event	\$100		\$1,200.00
Salaries		\$2,000		\$24,000.00
Rent		\$2,000		\$24,000.00
Materials for coffee making	Coffee beans, cups, mugs, staws, etc.	\$1,000		\$12,000.00
<b>MARKETING</b>				\$0.00
Instagram ads	Event promotion, artist promotion, store promotion	\$30		\$360.00
Tik Tok ads	Event promotion, artist promotion, store promotion	\$30		\$360.00
Printing ads	Posters, flyers	\$35		\$420.00
Web maintenance		\$100		\$1,200.00
<b>UTILITIES</b>				\$0.00
Internet		\$50	AT&T	\$600.00
Telephones-Cellular		\$89	AT&T	\$1,068.00
<b>Total</b>		<b>\$5,634</b>		<b>\$67,608.00</b>

<sup>25</sup>[Estella Caffè ECEM2 Two Group Automatic Espresso Machine - 220-240V](#)

## Income Statement

<b>INCOME STATEMENT</b>		
	Year 1	Year 2
Sales	\$207,840	\$300,000
Cost of Goods Sold	-220	-500
<b>Gross Profit</b>	<b>207,620</b>	<b>299,500</b>
Operating Expenses	67,608	70,000
<b>Operating Profit</b>	<b>140,012</b>	<b>229,500</b>
Other Income/Expense	0	2000
<b>Net Profit before Taxes</b>	<b>140,012</b>	<b>227,500</b>
Income Taxes	-33,603	-54,600
Net Profit after Taxes	\$106,409	\$172,900

## Summary

According to the sales in section 3, the sales for the first year are \$207,840. The cost of goods sold costs about \$220, which is the cost of producing merchandise like T-shirts, mugs, and bottles. There is no other income or expenses during the first year. Since the net profit is \$140,012, it would be a 24% tax for the first year, which is \$33,603. After taxes, the net profits would be \$106,409.

For the second year, Mimi predicts that there will be a growth in sales, which allows the amount to reach \$300,000. With the growth of sales and customers, there will also be more cost of goods sold because more merchandise would be produced. There would be \$2,000 of other income because Mimi planned to do some outsourced activities for schools or companies. For example, the school or company can rent The Mufe to do their own activities or parties. This will increase the after-taxes net profit to \$172,900.

## **SECTION 8: CONCLUSION**

### **CONCLUSION:**

The Mufe will provide support and opportunities for musicians and artists who are “thirty” with stages. Besides, The Mufe insists on becoming a perfect choice to spend time in for music lovers as well as coffee lovers. The Mufe sincerely hopes to get support from you to help us not only provide more performance opportunities for those talented musicians and artists but also spread the joy of music to more people.

Please contact Mimi Fu at [mimifu0906@gmail.com](mailto:mimifu0906@gmail.com) or 614-256-3327 with any questions you may have. Thank you!

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