



**To: Document reviewers**

**From: D. Reynolds**

Please review the following document and return it to me within two business days. If you have any questions, please call me at Ext 301. Follow the guidelines in the document review checklist below.

**Outlander Spices document review checklist**

- ☐ Review the PDF document using Acrobat 7 or Adobe Reader 7.
- ☐ Check for spelling, grammar, and usage.
- ☐ Consider appropriateness of content for the target audience.
- ☐ Consider the publication's layout and design, and suggest improvements.

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# *Outlander Spices*

## *Growth Project*



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Progress Report for Phase One

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## *Executive Summary*

*Outlander Spices is a small, privately held company that provides exotic spices and gourmet foods to restaurants throughout the United States. We have twenty kiosk locations within gourmet grocery stores on the West Coast, and we are planning to launch a Web initiative so that consumers can purchase our products via the Internet. We also plan to expand our kiosk operations into stores on the East Coast and in the Midwest over the next two years. Because this is an aggressive expansion plan, we need to find investment capital to ensure our success going forward.*

*In the following report, you will find an overview of the project team members, a justification for the project, the details of our progress on this initiative, and a summary of the outstanding issues we still need to resolve.*



# The Project Team

*The Growth Project team is currently made up of six employees and four outside consultants. This mix of internal and external people provides the balance of viewpoints and expertise necessary for a project of this scope to succeed. The name, position, and responsibilities of each of the ten primary people assigned to this project are listed below.*



## **Ann Salinski, VP Financial Services**

Ann's role is to oversee the financials for this project. She acts as the gatekeeper for all expenditures and has the final say on any cost overruns for the project. Ann is one of the founders of Outlander Spices, and she performs this financial management role in addition to her other duties at the company.

## **Jack Thomas, VP Sales**

Jack's role is to ensure that the sites we choose for expansion will maximize sales and profits while minimizing the need to hire additional sales staff. Jack also works with Aileen in Marketing to ensure that we have a successful sales rollout.

## **Elise Sechan, Manager, Information Technologies**

Elise's role is to provide technical direction and assistance for the Web initiative. Elise will provide the requirement documents to companies bidding on the Web project, and she will coordinate the selection of a provider of Web services. She will also oversee the team assigned to create the Web site and manage any consultants we use to implement the Web solution.

## **Aileen MacElvoy, Director of Marketing**

Aileen's role is to oversee market research and the creation of any material required by the sales force. She will also oversee all marketing communications with customers and vendors, as well as act as the project spokesperson for the press and other interested parties.

## **Ron Timmons, Senior Buyer**

Ron's role is to ensure that the spices and teas we sell are appropriate for the markets we are entering. He will analyze the market research to determine which spices and teas are in high demand in each of the regions into which we plan to expand. Ron will also monitor the data on Web purchases and buying trends in the new markets. In addition, he will work with our vendors to ensure that the supply of teas and spices supports the increased sales and specialty needs we expect to result from this initiative.

## **Kim Leong, Customer Service Representative**

Kim's role is to oversee the support of new and current customers. He will monitor the demands on our current system and work with Elise to specify upgrades to our telephone system. Kim will also play an integral role in determining the requirements of an online ordering system, and he will oversee the creation of a training initiative and documentation for the new system.

## **Kathy Sinclair, Project Management Consultant**

Kathy has been hired to oversee the entire project. Kathy is a professional project manager who has been managing projects for more than fifteen years. We believe that using an outside project manager eliminates much of the potential for politics and other problems that can occur when deadlines loom and time is of the essence.

## **Thomas Boorman, IT Consultant**

Thomas will build the initial Web site, train an internal person to maintain the site, and provide ongoing support for the site for a three-year period. Thomas will also assist in the selection of an Internet Service Provider.

## **Solena Hernandez, Market Analyst**

Solena will do the bulk of the market research and provide recommendations to Jack and Aileen on market potential. Once this initiative is launched, she will also analyze the success of our various products.

## **Susan Gianni, Business Consultant**

Susan will analyze our business processes and look for any unrealized savings of time and money. She will also give the team a reality check about the success of the project from an overall business perspective.



## *Project Justification*

Outlander Spices understands that the wholesale distributors who will thrive in today's marketplace are those who can do the following four things:

- Keep inventory costs and levels under control.
- Provide high-quality products.
- Price products competitively.
- Control cash flow.

In several published studies, our product lines have consistently outperformed other brands in three ways:

1. Our pricing typically undercuts that of our competitors, yet still provides a large margin of profit for distributors.
2. Our products are manufactured for quality and have earned end-user loyalty, which has resulted in repeat sales.
3. Our products move! Inventory typically turns over *50%* faster than competitive products do, and this increases freshness and shelf life.

Our customers have saved up to *14%* of inventory cost while improving productivity and cash flow. Sales to restaurants throughout the country have never been better. This success in the wholesale distribution market has been a major factor in our ability to expand.

We have also experienced *132%* growth in the profits from our kiosks in specialty grocery stores on the West Coast. This success and current market research point to a tremendous opportunity in other parts of the country. We feel it is time to expand this part of our operation into markets on the East Coast and in the Midwest.

Finally, we want to seize the initiative for sales on the Web. None of our competitors is currently planning a Web initiative. One has only to read the papers and watch the trends in new business to realize that the potential for a huge new market exists out on the Web. Not only will we be able to reach customers who do not have easy access to our kiosks in specialty grocery stores, but we will also be able to explore the potential for international growth without the need for building brick-and-mortar locations.



## *Progress Update*



In the last three months, the project team has completed the following tasks for Phase One of the project:

- Assembled an internal team of employees to work on the project.
- Retained a project management consultant to oversee the project and keep it on track.
- Hired key consultants to assist in market research, Web design and implementation, and business process analysis.
- Conducted exhaustive market analysis and research to determine the best markets to maximize profit and minimize risk.
- Drawn up the preliminary plans for growth into new markets on the East Coast and in the Midwest.
- Identified the specifications for a successful Web initiative.
- Begun the Request for Proposal process with selected Internet Service Providers.
- Identified key items that require additional resources and funding.
- Established project milestones and key dates for those milestones.
- Drawn up contingency plans for each phase of the project.
- Notified key vendors of the potential for increased inventory requirements.
- Identified key business processes that will require modification to ensure the success of each initiative.
- Projected how much additional headcount will be required to support each phase of the project.
- Set target dates for hiring new people and requested that Human Resources begin a recruiting process to ensure that the best candidates will be considered.
- Designed an incentive plan for current employees to reward the extra efforts that will be required for a successful implementation.



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## *Outstanding Issues for Phase One*

**The following issues are still outstanding as of this report:**

- 1. Selecting an Internet Service Provider to support our Web initiative.*
- 2. Identifying specialty grocery stores to host our kiosks in East Coast and Midwest markets.*
- 3. Building a preliminary Web site.*
- 4. Creating initial sales material and a rollout plan.*
- 5. Developing a training program and supporting documentation for employees.*
- 6. Creating a new identity and marketing material.*
- 7. Defining a fast-track path for target employees.*
- 8. Creating a presentation for potential investors.*
- 9. Starting the process of increasing the infrastructure.*
- 10. Identifying key service and support roadblocks and possible solutions.*
- 11. Planning a celebration for the completion of Phase One of the project.*
- 12. Identifying the milestones for the next phase of the project.*



