

# Company report

Assum JA company

Mgr. Eva Wolfová, 2016/2017



# Executive summary

## Company name



## Motto

**SAVE TIME & LOVE TASTE**

## Financial summary

(till 12th of June 2017)

Number of sold pieces: 459

Sales: 1606.50 €

Profit: 527.35 €

## Contact

assum@assum.sk

www.assum.sk

www.facebook.com/assumcompany

www.instagram.com/assumcompany

## Product

We live in a rush world. Many people have no time for basic activities such as coffee drinking. That is why we have decided to make a product which our customers, who either love coffee or need energy, will surely appreciate. We came up with a coffee mixture that does not need water. It is meant to be eaten

## Goals of company

1. To bring a revolutionary way of coffee consumption to the market.
2. To offer coffee benefits anywhere and anytime.
3. To energize busy people in any circumstances.

## Content

Executive summary	<u>1</u>
Company overview	<u>2</u>
Product	<u>3</u>
Finace	<u>5</u>
Marketing	<u>6</u>
Human resources	<u>9</u>
Future potential	<u>10</u>

## Core of our vision

**To bring a revolutionary way of coffee consumption to the market to save time and allow consumers to relish the taste of coffee.**

**Nowadays we offer 4 flavours of our product to customers according to our research.**



# Company overview

## History

Our team founded the Assum company in Slovakia in 2016 as a mini-firm producing edible coffee - CoRE (Coffee ready to eat). We made a few researches about potential success of our product on the market and then we started to make prototypes. According to the results of our personally conducted focus group, we chose the best three flavors. Firstly, we had wanted to outsource the production of CoRE, but then we decided to control the entire production process to make sure it had the best quality. That is why we started to make it by ourselves in a certified facility in our hometown city of Košice.

## Our business principles:

- best quality of ingrediencies
- reasonable size of packaging
- continued development
- service to customers from all over the world through our e-shop

**To what problem is the product providing a solution?**

**“Time is money.”**

Benjamin Franklin

People like to use Benjamin Franklin's words because lack of time and lack of money are two of the main problems of the society. Our product saves time, because you can get caffeine and energy boost in a shorter time than if you drank coffee. CoRE also gives you that boost for less expensive price than a regular coffee from a cafe.

## Genesis of the concept

Almost every member of our team is a coffee lover, so we know all benefits of coffee and we love them. But on the other hand, we are aware of disadvantages of regular coffee as well. You can not drink it everywhere, you can burn your tongue on it or spill it onto your dress. That is why we started to think about a product, that could eliminate its disadvantages but still has all benefits of coffee.



# Product

According to surveys, Slovaks drink coffee three times more than they drink tea. Up to 66,2 percent of Slovaks drink also coffee in the afternoon. Most people start drinking coffee in the age of 18 (approx. 40 percent)<sup>1</sup>. An average Slovak drinks 1-2 cups of coffee per day, which puts the country on the 6th place in coffee consumption right after Netherlands, Sweden, Denmark, Finland and Germany<sup>2</sup>.

We created a product from unique ingredients with great taste. With just a one piece of CoRE we boost your energy to the next level. **Our product saves two most valuable things for successful businessmen: time and money.**

Delicious mix of coffee, rice syrup, dried milk, stevia, and added flavor in a precise ratio, which is our manufacturing secret. This mixture does not need hot water like normal coffee but it is eaten right after removing from the package.

After testing various ingredients, market research and defining our target group, we have launched our product CoRE (coffee ready to eat) in four flavors: natural, coconut, caramel and hazelnut.

## About the coffee we are using

We are using a 100% Arabica coffee beans, which are grown in Papua New Guinea. Coffee production in Papua New Guinea accounts for approximately 1% of the world coffee production, which means, our coffee is truly unique. We have decided to choose 100% Arabica coffee instead of Robusta for its softer taste compared to the Robusta's bitter one.



Read more ---->

## Manufacture

Our first challenge was the recipe. After many experiments, we discovered the mixture with the appropriate taste from which we created the first prototypes. Then they were tasted by participants of our research (our focus group). With their hints and advices, we improved our packaging and flavours.



The base of our product is coffee, consisting of 100 % arabica and rice syrup which does not contain any allergens. To make our product more delicious we've used dried milk, and as a healthy substitute for sugar we have used stevia, which adds perfect sweetness to our product.

We produce our product in a certified facility on Mojzesova Street, where we have been provided with all the professional equipment which we need to produce a large amount of products during short period of time. Thanks to self manufacturing process, we can ensure the quality of our product.

An essential part of our progress was the process of choosing material and the design of our own packaging. We chose easily recycled materials and paper wrapping. Today we already use the 3rd generation which is improved because of the added information and change in design.

We plan to develop 4th generation, which will be even more practical so you could put it into your pocket. We will also change a design, so from the first look it will be more obvious that CoRE is a coffee product.



**1st generation**  
-burgundy color  
-size 8,8x4,4x3 cm



**3rd generation**  
-size 8,8x4,4x3 cm  
-green color  
-improved packaging of single servings  
-added information to the back side



**4th generation - PROTOTYPE**  
-size 5x10x2 cm  
-perfect fit to your pocket  
-design change  
-added nutrition data

## 4 versions of CoRE

We have launched onto the market with more than just one flavour in order to provide pleasure to more customers. During the flavour selection we have laid stress on the opinion of the consumers. The most favoured CoRE versions were natural, coconut and caramel. The fourth flavour has been chosen through the research on our Facebook page, where we found out that the most attractive flavour is hazelnut.

### Natural

The main aim of this type of CoRE is to highlight the coffee taste without any other stronger tastes to avoid the disruption of the high quality coffee. Customers, who would like to enjoy the pure coffee taste without any disturbing factors will definitely opt for the natural one.

### Coconut

The coconut flavour brings a joyful experience with its exotic taste and also with the promised impact of caffeine.

### Caramel

Every sweet tooth will be pleased with the caramel flavour, which will cheer your senses and add the wishful energy.

### Hazelnut

Combination of coffee and a rich hazelnut flavour is a well known choice for many coffee lovers.

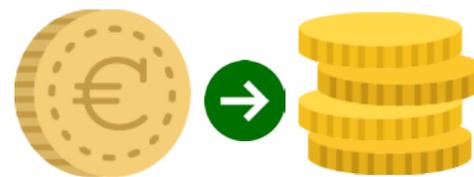
## Analysis of Overall Business Performance and Profitability

From the launch of the CoRE our company income shows a constantly raising increasing tendency. So far, we have sold 459 products through different sales channels. The most successful sales channel is the e-shop, therefore we are focusing on customer-friendly-related improvements of the website. We also organize one-day sales, where we have a face-to-face opportunity to persuade our customers to buy our product. We choose the best time and place of our one-day sales, so we could address as many potential clients as possible.

Customers can choose from four of our flavors and according to our statistics, the most popular one is natural version. Other three types of product, caramel, coconut and hazelnut have almost similar popularity.

Profit and Loss Account	
Sales	1,606.50 €
Purchases	697.68 €
Production Wages	46.30 €
Closing Stock	427.00 €
Cost of Sales	316.98 €
<b>Gross Profit</b>	<b>1,289.52 €</b>
Slaries, Commissions and Bonuses	0.00 €
Stationary	0.00 €
Rent & Hire	0.00 €
Miscellaneous Expenditure	66.00 €
Registration Fee	0.00 €
Total Expenses	66.00 €
Gross Profit less Total Expenses	1,223.52 €
<b>Operating Profit</b>	<b>1,223.52 €</b>
Miscellaneous Income	0.00 €
<b>Net profit (or loss)</b>	<b>1,223.52 €</b>
Corporation Tax Payable	269.17 €
<b>Profit after Tax</b>	<b>954.35 €</b>
Appropriations of Profit	954.35 €
Dividends	0.00 €
Donations	0.00 €
Other	954.35 €
<b>Balance (should be nil)</b>	<b>0.00 €</b>

Balance Sheet	
<b>Current Assets:</b>	427.00 €
Stock	0.00 €
Debtors	0.00 €
Cash at Bank	0.00 €
Cash in Hand	1,296.52 €
<b>TOTAL CURENT ASSETS</b>	<b>1,723.52 €</b>
Less:	
<b>Current Liabilities</b>	
Banks Overdraft	0.00 €
Loans	0.00 €
Creditors	0.00 €
Corporation Tax Payable	269.17 €
VAT due	0.00 €
<b>TOTAL CURRENT LIABILITIES</b>	<b>269.17 €</b>
<b>BALANCE</b>	<b>1,454.35 €</b>
<b>Represented by:</b>	
Issued Share Capital: 100 shares at 5 €	500.00 €
Profit & Loss Account (Profit after Tax)	100.00 €
Shareholders' Funds	1,454.35 €



We turn 1 € into 3.21 €

Product sales		
VERSION	SOLD	INCOME
Natural	199	696.50 €
Caramel	121	423.50 €
Coconut	112	392.00 €
Hazelnut	27	94.50 €
<b>TOTAL</b>	<b>459</b>	<b>1,606.50 €</b>

Summary of period from the 14th of February till the 12th of June 2017.

<b>EARNINGS 1,606.50 €</b>
<b>PROFIT 527.35 €</b>
<b>EXPENSES 1,079.15€</b>



Expectation



Reality



Next month plans

## Marketing

At the very beginning of production we decided to use only quality coffee beans in order to offer great pleasure to our customers. Also it does not matter where you are, you can enjoy CoRE anywhere. To provide even better service to our customers we seasonally add a new flavor as suggested by our customers in our research.

  
verified by Mgr. Eva Wolfová, PhD.  
Business advisor

## Target group

Three types of the most common customers



- IT workers, high school students, busy managers, businessmen, doctors, mothers with small children, long distance drivers
- they drink coffee for energy and have little time
- they need a quick and efficient solution
- > that is reason we organize one-day sales in Business centers



- tourists, runners, athletes
- they have to choose caffeine pills or energy drinks
- they need to energize themselves immediately
- > that is reason we sell CoRE in fitness centers



- regular coffee drinkers, who like traditional coffee brands from easily accessible selling places and supermarkets
- they drink coffee for taste and as daily ritual
- CoRE can serve as a complementary product for them when they cannot enjoy the cup of coffee
- > that is reason we offer CoRE in shopping centers



## Analysis od competitors

Currently, Assum does not have any direct competitors on the market, but as indirect competitors we consider energy drinks, caffeine pills and drinks. Our product is different from other common coffee products, because it is not for drinking, it is for eating. A survey confirmed that regular consumers considered the product as innovative and they were delighted by the unusual way of consumption of the product. In the online survey 97 respondents from 141 said that they would like to try to use our coffee mixture to save time. CoRE does not compete with traditional coffee. For the coffee lovers, our product is only a complement.

We usually received feedback by e-mails, social media and in person (total 182).



## Product

CoRE (coffee ready to eat) is a coffee mixture which complies demands of our target group: saves time, is made of high-quality coffee and has great taste. We use 100% Arabica, roasted in Slovakia, which is a guarantee of the true taste of coffee. We produce not only CoRE with nature flavor but also with caramel, coconut and hazelnut.

## Price

The price was established mainly based on the results of our market research and the expenses during the process of manufacturing. Comparing to classic espresso our product is more affordable since the average price for one espresso is 1.20 €, meanwhile for the same amount of caffeine in our product, which means two servings, customers will only pay 0.88 €.

The prices are as follows: one pack of CoRE, all variants (8 servings) – 3.50 €

## Place

Distribution of the product is divided into two types:

### A) Regular sale

The product is available to buy on our website [www.assum.sk](http://www.assum.sk) and in the shops: Take it Coffee – Poštová 7, 040 01, Košice  
Fitness center Čaňa – Osloboditeľov, 044 14, Čaňa  
ASTORIA FIT&GYM- Južná trieda 29, 040 01 Košice  
Bistro - Staničné námestie 1, 040 01 Košice

### B) One-day sale promotions

Business center, Košice (14.2.2017)  
CASSOVAR, Košice (24.2.2017)  
Double Tree by Hilton – festival of Coffee, tea, chocolate - (19.3.2017)  
OC Optima, Košice (26.3.2017)  
OC Aupark Košice (29.4.2017)

## Promotion

As the first way of Assum promotion we decided to use free possibilities of online promotion. We created the website [www.assum.sk](http://www.assum.sk) and accounts on social networks like Facebook and Instagram. On these websites we organize competitions, inform people about our progress and about our planned sales. We also communicate with our customers and get feedback from them.

The main aim of organizing Facebook competitions was to reach out to more potential customers and connect them with our core values.

## We have already organized three types of competitions:

- Share and win, impact 25 000, goal: get to more potential customers
- Choose your flavor, impact 20 000, goal: To choose fourth flavor
- CoRE around the world, impact 40 000, goal: To promote CoRE

More about CoRE around the world --->



Thanks to our success we also earned publicity in:

- News** - Košice:Dnes, Košické správy, ReLife, Visit Košice,TERAZ.sk
- Radio** - KISS, KOŠICE, LUMEN, REGINA
- Television** - TV NAŠA, RTVS

## Ahoj Slovensko

We were filming reportage about our company for the new TV show, which you could see in a Slovak public television channel.

We used promotional posters and leaflets with basic information about CORE to attract customers during our one day sales.

**Offline** - We have arranged 4 presentations for organizations and companies such as AT&T, T-systems, NESS, Youth Council of the Košice Region

## Partnership

From the beginning, when we were starting up, Assum has cooperated with the café Take It Coffee and coffee-roasting plant COFFEEIN.

### Take It Coffee

is the local café in Poštová Street, Kosice. Their bartenders helped us to choose the best coffee and find the best recipe for our product.

We consider Take it Coffee café only as additional not as main sales stream. However, this café is special for us, because they were our very first business partner. From the first moment we have intensively cooperated with them on a daily basis.

### COFFEEIN

is a Slovak leading firm for coffee roasting and also our partner from which we buy our certified 100 % Arabica.

## Market opportunities

We see a big selling potential in foreign countries like Germany, United Kingdom or Switzerland, because these countries are more advanced and opened to new ideas. According to the statistics their citizens are the busiest people in Europe.

06 | V MESTE

KOŠICE-DNES

## KÁVA NA JEDENIE z Košíc ide do slovenského finále

Na celoslovenskom veľtrhu získali gymnazisti z Poštovej najviac ocenení

V súťaži študentských firiem stredoškolského porotou najlepší zanjali študenti z Gymnázia Poštová so svojou kávovou zmesou na jedenie.

Olga Tešková

organizátorka veľtrhu

Na podujatí JA Veľtrh podnikateľských talentov 2017 košičskí gymnazisti vynikli so 48 firmami, v ktorých celoslovenské výsledky svojej práce predstavilo takmer 250 študentov. Súčasťou každoročného organizuje neriadkova viedúca organizácia JA Slovensko.

Odborná porota zložená z partnerov a podporovateľov súťaže udelila ocenenia v piatich hlavných kategóriách a dve výberové ocenenia. Najlepšiu študentskú firmu si vybrali aj študenti v rámci študentskej poroty. Osem tímov zároveň postúpilo do slovenského finále, ktoré sa bude konať v máji v Bratislave. Jedno z nich predstavuje súťažníka z Poštovej na medzinárodnom veľtrhu v Bruseli.

Najviac ocenení na súťaži získala firma Assum z Gymnázia Poštová za kávovú zmes na jedenie, ktorá ľahko číta, financie a duševnú energiu inšpirovali ich káva, ktoré nemajú čas vypiť si kávu a potre-



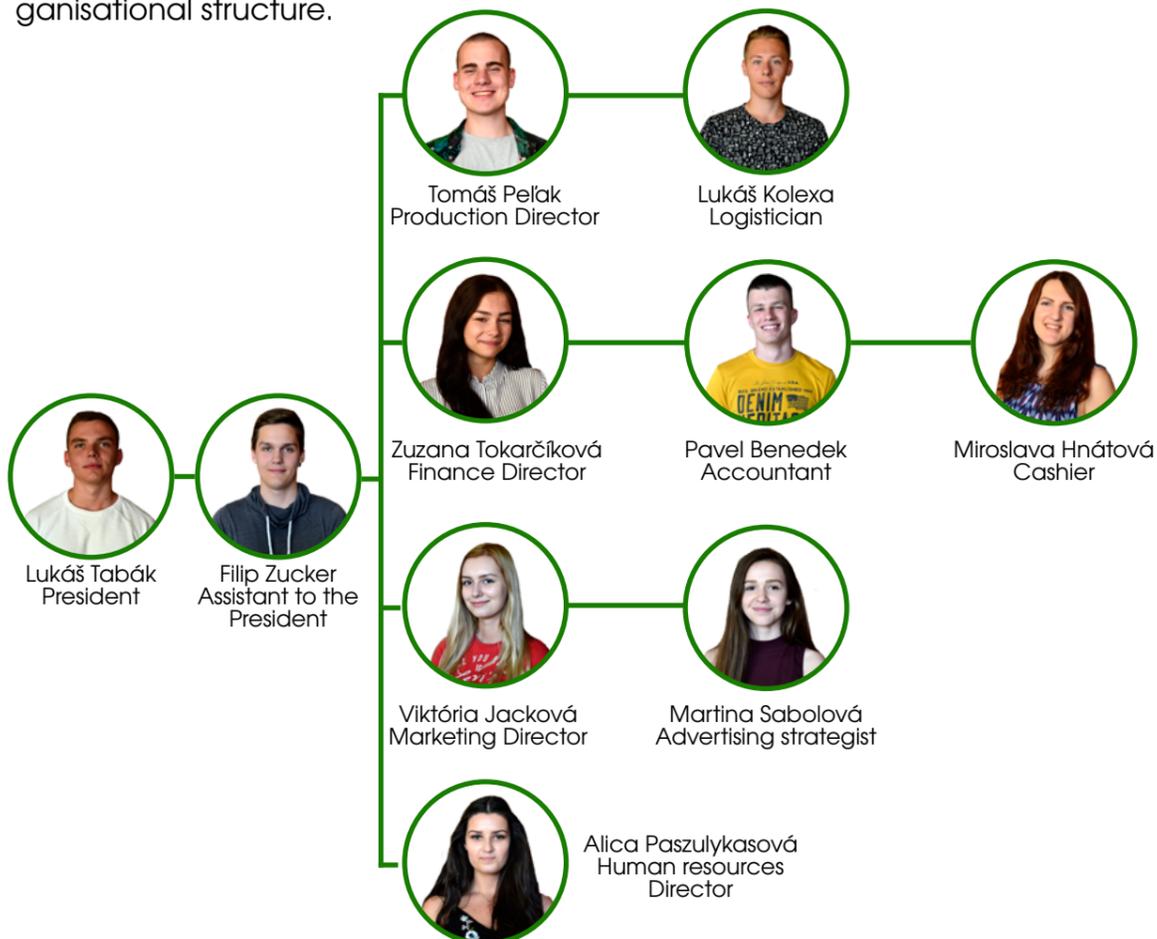
Stredoškolskí z košickej študentskej firmy Assum idú so svojou kávovou zmesou do slovenského finále.

**Je to odzrkadlenie celoročného ústia**  
Lukáš Tabák, prezident študentskej firmy  
hájil vďaka dodatkú kávu. Produkt si ľahko vypiť sami. Podľa jeho ho na internetovej stránke novej spoločnosti a vo vybraných košičských kaviarňach.  
Postierali najviac ocenení Firma košických stredoškolských ziskala jednu z troch prvých priečok v kategóriách manažérsky tím, marketingová prezentácia, úžitkový produkt a digitálny marketing. Za jednu kávu bojujúc ako jedinú získala postup do bratislavského finále.  
Podľa prezidenta firmy Lukáša Tabáka je to výsledkom snahy a celoročného ústia, ktoré do toho projektu vstúpili.  
Dobrou sa motivácia, podporu a dôkladnú prípravu študentov pedagogické prostredie aplikovanej ekonomiky.  
„Som šťastný a hrdý zároveň. V takýchto okamihoch cítim viac ako inokedy, že moja práca má zmysel.“ ustiaha učiteľka Eva Waľová.



# Human resources

The financial, marketing, production and human resources departments are four basic company components. They represent the guarantee of its functionality, success and reliability. Our 10 employees including the President and 4 Directors form the complete organisational structure.



## Filip - Assistant to the President

"It gave me so much. Especially I've learnt to work with people, with different points of view."

## Mirka - Cashier

"I have gained a good understanding of a logical and disciplined approach to keeping company documents and money in order."

## Lukáš Kolexa - Logistician

"I have learnt how to be at the right time in the right place. I have realized that my position in our company Assum is very important. The fast delivery to a customer ensures a part of his satisfaction."

## Pavel - Accountant

"I have experienced a lot of nice moments with my colleagues. I will remember the prototypes' production and how much fun we had for really long time."

## Martina - Advertising strategist

"Thanks to this programme, I found out how important is to know the market and to define your target group. Based on their definition, we tried to tailor the marketing strategy as best as possible."

## Eva - Teacher

"My main goal during the year is to make them realize, that their business successes depends on their hard work, that obstacle is just another name for challenge and that their borders are set by them."

## Management

We are a team that consisting of ten members in which everyone has a strength which is very useful for our company. We have worked like the team and we have put all that strengths together that has made us a strong, effective, and stable company. We are still facing obstacles but we have successfully dealt with all that have appeared during the operations of our company.

## Team work principals

Keep friendly and calm atmosphere at the work place.

Gain useful skills.

Use the employees' potential and allow them to grow.

Maintain division of labor.

## Partners

### Tomáš Jutka

Take it coffee shop owner on the Poštová street in Košice. He gave professional lectures to our company about the coffee, it is growing and roasting. Tomáš is one of our major partners and we could use his café as the sales point for our CoRE.

### Viera Janigová

Owns the canteen on the Moyzesova street in Košice. It is the place where our product is made with use of professional kitchen devices.

### Peter Szabó

Runs the company COFFEEIN in the Slovak city Šahy. It is different from other coffee selling shops, since they roast the coffee from all around the world themselves.

### Luboš Čapčara

Is the photographer who showed us how to take good photographs of our product so that it is attractive for consumers and he is also the author of our team promoting photograph.

# Future potential

After the end of the JA Company programme, we plan to register our firm in the **Slovak Register of Enterprises as Limited Liability Company "ASSUM"**. For start-up capital we would look for investors who could help us with automatization of production. The number one priority in automatization will be conservation of quality of our product. This step is essential because we want to increase the production and meet quality requirements of bigger retail chains.

1. Sell our products in petrol stations.
2. Cooperate with ASO Vending machines.
3. Sell our products in hotels as present for their customers.
4. Sell our product to firms as a present for their clients and employees.
5. Get CoRE to Turkish airlines as part of catering.
6. Prepare a viral video to promote CoRE and Assum Company.
7. Start to cooperate with Slovak bloggers/youtubers in order to promote our company.





JA Slovakia  
Take it  
COFFEEIN  
Apple Istores  
Fotoateliér Nostalgia  
AT&T

T-Systems  
Ness KDC  
Gymnázium Poštová 9  
Festival Káva-Čaj-Čokoláda  
KERE

**THANK YOU !**