

Feasibility Study / Pre-Feasibility Study Application Form

Group Name: *Doc's Family Flowers and Herbs* County: *Athens*

Address: *5011 Factory Road*

City: *Albany* State: *OH* Zip: *45710*

Telephone: *(740) 698-7865* Fax:

Contact Person: *Mike Windridge*

Social Security Number
or Taxpayer Number: *345-85-4900*

1. Tell us about your group or cooperative and its objectives. **(20 points)**

Doc's Family Flowers and Herbs grow flowers and herbal plants from seed and sell them through wholesale channels. Members of the cooperative use their skills and education of horticulture to provide the most extraordinary cut flowers and herbal plants for its customers. Doc's mission is to run an honest business where a fair price and a quality product are presented every time. Doc's is based on experience with people and a love for gardening, which results in new customers and repeat business of those who insist on quality flowers and plants to add to their living atmosphere. Doc's operates according to the following principles:

- *obtain a customer base in the retail market that is conducive to repeat purchases*
- *market a quality, value-added product line to the customer consistently*
- *provide a center that offers qualities that the customer can not get from the competition*
- *make the new venture, a greenhouse/garden center, a profitable one to benefit the cooperative's members by increasing the gross sales*

2. What is your plan or project (state problem and opportunity) and what are the goal(s) of your project? **(20 points)**

The project consists of conducting a site feasibility study to locate a piece of land for a greenhouse/garden area. It is important to carefully select a site that will provide customer traffic and a soil atmosphere that is favorable to growing plants. The study will be performed by hiring a consultant familiar with nursery and the local real estate business.

- *Doc's will identify various sites depending on location, soil tests and price.*
- *Gather market research to understand what the customer wants in a greenhouse/garden center.*
- *Perform a feasibility study to determine the possibility of a greenhouse/garden center becoming a profitable venture for the existing business.*
- *They must research the retail channels because the cooperative is unfamiliar with marketing directly to the customers.*

The overall goal for Doc's is to determine the feasibility of adding a retail greenhouse/garden center to its existing business structure.

3. How will finishing this project benefit your group or cooperative? **(15 points)**

The cooperative will have a completed feasibility study that provides information on the establishment of a greenhouse/garden center to serve the retail customers upon the completion of the project. They will be able to make an informed decision about pursuing the establishment of the center. The center would provide a new marketing strategy for Doc's and expand its customer base an ultimately benefiting its members. It's important to adequately research new ideas and ventures to determine their feasibility. The cooperative understands that the completion of the study is the most effective way to identify the issue and concerns that must be addressed before proceeding with the addition of a greenhouse/garden center.

4. Please give a timeline listing the dates by which your group or cooperative plans to accomplish each step along with a completion date. Also, include an evaluation method for each step. **(20 points)**

Objective	Outcome/Evaluation	Start Date	End Date
<i>Interview and hire a consultant that is familiar with the nursery and local real estate business.</i>	<i>A contract with a consultant that will work with the cooperative's Board and is reputable in the nursery industry.</i>	<i>2/01/02</i>	<i>2/15/02</i>
<i>Two sessions with the consultant between the start and completion of the study to make sure that the information is what the cooperative needs to make a decision on the greenhouse/garden center.</i>	<i>A study that addresses all the concerns and issues that the cooperative has about proceeding with the construction of the center.</i>	<i>2/15/02</i>	<i>5/01/02</i>
<i>Perform a feasibility study addressing the idea of a greenhouse/garden center. The study should provide information that the cooperative board needs to make a decision on the new venture.</i>	<i>A completed study that will allow the members and Board of Directors to make an informed decision on whether to proceed with the greenhouse/garden center venture.</i>	<i>2/15/02</i>	<i>5/01/02</i>

5. What groups or individuals are helping your group or cooperative on this project and what are their responsibilities? **(10 points)**

Travis West: Ohio Cooperative Development Center – business organization

Joe Schlebach: Schlebach's Nursery Stores, Inc. – retail marketing alternatives

Dr. Francis Funklestein: OSU Department of Horticulture – production practices

Dr. Radun Ramirez: OSU Soil Scientist – determining the appropriate soil properties for a piece land of the establishment of a greenhouse/garden center

- A private consultant will be used to prepare the final feasibility study. The members have performed some of the research work and their findings will be a basis for the consultant to work from. The group will work closely with the consultant to ensure that the results of the study are what the members want to find out upon its completion.

6. Tell us what your group or cooperative has already done to determine the proposed project's feasibility. For example, what do you know about costs, customers, competition and industry trends? **(15 points)**

Doc's members have done some research individually to get a sense of what the retail customers want in a greenhouse/garden center. The members talk with people in the community and receive a reaction on the establishment of the center in the area.

Members have also visited various competitors to understand their marketing strategies and tactics. The members are investigating the layout of the stores or centers, products carried and operational practices. This allows them to see what the competitors are doing and understand that the cooperative's center must provide a service to the customers that will keep them coming back for repeat purchases. They must explore alternatives for making their center different than the competition.

7. Please complete the budget worksheet. Use the blanks to list the amount requested. Fill in the matching cost share amounts that you offer as the applicant:

	Amount Requested	Cost Share Amount
Personnel	<u> </u>	<u> \$2500 </u>
Travel	<u> \$500 </u>	<u> \$400 </u>
Contract Services	<u> \$3500 </u>	<u> \$2000 </u>
Miscellaneous/Supplies	<u> \$900 </u>	<u> </u>
 TOTAL AMOUNTS:	 <u> \$4900 </u> REQUESTED	 <u> \$4900 </u> COST SHARE BY APPLICANT

Date: _____

Signature of Applicant

***Please include with this application:**

1. Budget that lists specific items under each heading and the proposed cost.
 - for example, under contract services you could list brochure design (\$500), logo printing (\$750), etc.