Chick-fil-A®

FRANCHISE BUSINESS PLAN

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April 8th, 2026

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I. EXECUTIVE SUMMARY

COMPANY OVERVIEW:

Chick-fil-A is a **family-owned company** founded in **1967 in Atlanta, Georgia**. Since its humble beginnings in a small diner named The Dwarf House, Chick-fil-A has **expanded into over 3,000 locations worldwide**. Known for popularizing fried chicken sandwiches in the fast food industry, Chick-fil-A is now a **multi-billion-dollar company** with strong values in **serving its customers, employees, and local communities**. As Chick-fil-A continues to expand its market within the US as well as globally, we plan to open a **new Chick-fil-A location on South Mooney Boulevard in Visalia, California**, a **densely populated and growing** gateway community to many national parks and tourist attractions in the Golden State.

BUSINESS OBJECTIVES:

To accurately measure the success of our Chick-fil-A location, we have established a **list of short-term and long-term goals** to guide our business operations.

Short Term	Long Term
Complete Construction of Chick-fil-A	Increase Net Profit
Establish an Effective Leadership Team	Maintain Customer Loyalty
Set Performance Goals	Grow Brand Awareness

BUSINESS ENVIRONMENT:

Visalia's steadily growing population and economy **expand both the hiring pool and consumer base**. Economic growth in Visalia, which is the commercial hub of Tulare County, translates to higher discretionary income and consumer spending, benefitting our franchise operations. National economic trends, such as inflation and interest rates, impact our operating overhead and expenses. These changes most **heavily impact our supply chains and pricing**, which directly impact a customer's spending. Additionally, higher fast-food wages in California **raise labor expenses and tighten profit margins**. Overall, Visalia presents strong business opportunities, although certain factors may require management to optimize operations.

PRODUCTS & SERVICES:

Chick-fil-A franchises offer high-quality **chicken entrées** anchored by signature items such as the **Original Chicken Sandwich** and **Chick-fil-A Nuggets**, complemented by grilled options, salads, and seasonal menu items. These products are backed by Chick-fil-A's efficient services, including **drive-thrus**, ordering via the **Chick-fil-A app**, **delivery**, **curbside pickup**, and **catering**. With the combination of **consistent food quality** and **convenient service systems**, Chick-fil-A offers a **family-friendly dining experience** that meets the needs of its diverse customer base.

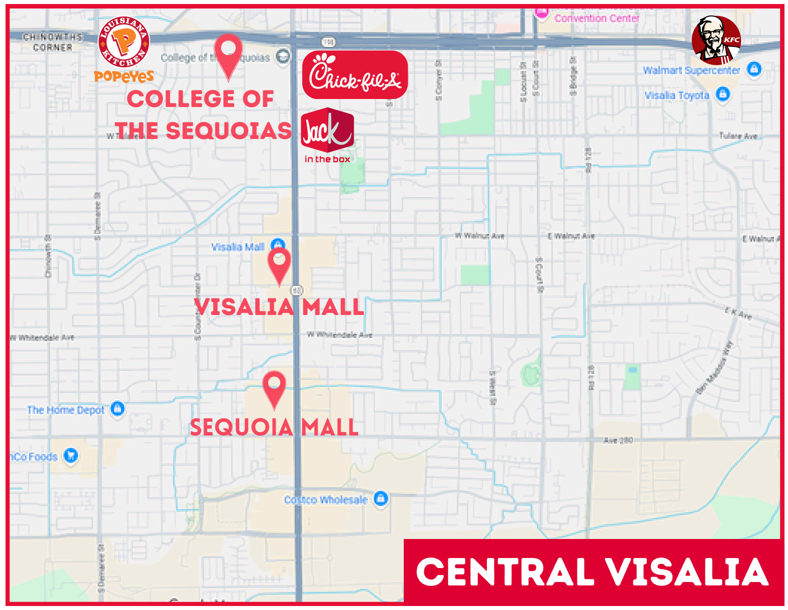
PRESENT MARKET:

Our Chick-fil-A franchise will serve the growing city of **Visalia, California**, where a **youthful population**, **strong family presence**, and **commuter traffic** create a demand for high-quality dining. Our location **near major roads and shopping areas** helps us attract steady customer traffic and support long-term growth.

Demographics	Psychographics	Behavioral	Geographic
• Youthful Population • Strong family presensce	• Demand for high-quality dining • Commuter lifestyle	• Commuter traffic • Shopping – adjacent dining	• Growing urban location • Proximity to major roads

COMPETITION:

Our Chick-fil-A location has **three primary competitors** within a two-mile radius: Popeyes, KFC, and Jack in the Box. Although these competitors offer similar products and differ in pricing compared to us, our **proximity to prime areas in Central Visalia** (e.g., Visalia Mall, Sequoia Mall, the College of Sequoias) will make our Chick-fil-A easily accessible to our target market. Furthermore, our **brand recognition** for exceptional **customer service and high-quality food** will establish a loyal customer base, as we will be **the first Chick-fil-A location in Visalia**.



MARKETING PLAN:

C	H	I	C	K
COMMUNITY ENGAGEMENT	HOSPITALITY DRIVEN EXPERIENCES	INTERACTIVE SOCIAL MEDIA	COOPERATIVE DMA MARKETING	KNOWLEDGE BASED EVALUATIONS

Chick-fil-A's marketing strategy focuses on **community engagement**, **hospitality-driven promotions**, and **localized social media marketing** to build long-term customer loyalty**.** We plan to prioritize **emotional connection** and **service excellence** over price-based discounts, which will convert **first-time guests into repeat customers** while maintaining **strong brand value.** The marketing strategy of our franchise will be guided by the **CHICK Marketing Plan,** which aligns **national branding** with **local outreach** to drive sustainable growth and high returns in the Visalia market.

MANAGEMENT & ORGANIZATION:

Our Visalia Chick-fil-A consists of **five levels of organization** to efficiently manage all business operations. We will advertise for open positions via the official Chick-fil-A website, Indeed, and LinkedIn to hire talent. As Chick-fil-A is a **great place for entry-level employees**, we will provide substantial training for Team Members (non-management staff) to ensure that everyone is **capable of performing all the basic roles** within the restaurant.

Operations	Human Resources	Marketing
Franchisee **Brian Guan**	Franchisee **Emma Ng**	Franchisee **Tarun Ravesanker**
Director of Front of House Operations	**Director of Kitchen Operations**	
Full Time: Shift Managers (6)		
Part Time: Team Leaders (9)		
Part Time: Team Members (100)		

BUSINESS RESOURCES:

Our Chick-fil-A is expected to **lease our operating equipment from Chick-fil-A corporate**, totaling an approximate $4,000 in costs per month. Our equipment order includes necessary equipment such as **industrial fryers, refrigeration and prep stations**. Our **inventory** will also be **supplied by Chick-fil-A** itself, with Chick-fil-A Supply trucking inventory shipments to our location on a weekly schedule. Our business will require some other expenses, particularly regarding decor and disposable items to facilitate community events, festivities and promotions. We anticipate a team composed of **109 part-time employees, eight full-time employees, and three franchisees** Brian Guan, Emma Ng & Tarun Ravesanker.

FINANCIAL PLAN:

We plan to achieve a total investment of **$1,000,000** by pooling owner investment and loaned funds together. Each franchisee will dedicate **$150,000** of personal funds, amounting to **$450,000**. These funds will fund and support operation and its expenses over the course of one year, until our estimated **breakeven point of 13 months**. We expect profits to increase after this breakeven. Our operation and earnings entail a 15% royalty on revenue and 50% fee for all earned profit, resulting in a conservative projection of **$8,420,000 in revenue and $957,968 in net income** from our first operating year.

Owner Investment	Loaned Investment
$450,000	**$550,000**
$1,000,000 Investment	

Each franchisee will dedicate $150,000 of personal funds, amounting to $450,000. We will be requesting a supplemental amortizing loan of $550,000, detailing a 9% interest rate paid back over a 7-year term

II. BUSINESS HISTORY, BACKGROUND & OBJECTIVES

A. Describe the company for which you wish to purchase franchise rights.

Samuel Truett-Cathy (1921-2014), founder of Chick-fil-A

Samuel Truett-Cathy began his Chick-fil-A journey on May 23rd, 1946 in Hapeville, Georgia, opening a 24-hour diner called The Dwarf Grill (later renamed The Dwarf House). Motivated by the growing business and steady customers, Truett-Cathy began to experiment with fried chicken sandwich recipes, testing out different breading and seasonings until he **invented the presently-famous Original Chicken Sandwich**. His chicken sandwich soon began outselling hamburgers and grew so popular that on **November 24th, 1967**, Truett-Cathy opened the **first Chick-fil-A restaurant in Atlanta's Greenbriar Mall**. From revolutionizing **mall-dining** to expanding into **free-standing restaurants** with complete **drive-thru operations**, Chick-fil-A has become **one of the largest family-owned businesses** in the US, prioritizing family, quality service, and giving back to the community through all of its franchises. Currently, Chick-fil-A proudly **runs over 3,000 locations in the US**, and is continuing to expand globally.

B. List your short-term (next 12 months) and long term objectives.

	Goal	Plan of Action	Key Metric Indicators
Short-Term	**Hire and Train Employees for Opening**	Interview and hire applicants whose values align with the company, and complete orientation and paid training	Open Visalia Chick-fil-A by September 2026
Short-Term	**Establish an Effective Leadership Team**	Foster a strong team culture within staff through hiring process and comprehensive training	Maintain reduced employee turnover rates
Short-Term	**Exceed Performance Goals**	Meet with Chick-fil-A consultants to discuss factors of labor/food costs, drive-thru efficiency, and CSS	Favorable reports from CSS and ESS surveys
Long-Term	**Optimize Business Operations**	Optimize inventory orders, staff, and other operational expenses	Increases in inventory turnover and quality of work from staff
Long-Term	**Maintain Customer Loyalty**	Extensive training for employees focused on customer service; "It's our pleasure!"	Maintain a 4+ star rating on Google Reviews
Long-Term	**Grow Brand Awareness**	Use social media marketing techniques to increase publicity	Significant gain in followers on Instagram and increased community presence

C. Describe the company’s major successes or achievements to date.

1964
Truett-Cathy invents the Original Chick-fil-A Sandwich

1967
The first Chick-fil-A restaurant opens in Greenbriar’s Shopping Center, Atlanta, GA

1986
First stand-alone location, marking the transition to drive-thrus

1995
“Eat Mor Chikin” marketing campaign launches, with cows becoming the face of the company

2006
Chick-fil-A becomes a multi-billion dollar company

2023
Reached 3000 franchise locations throughout the US, Canada, and Puerto Rico

2025
Opened locations in the UK and Singapore, expanding into the global market

D. Describe the company’s challenges and obstacles.

Recently, Chick-fil-A has faced operational challenges due to **long drive-thru lines** and various **supply chain shortages**.

- Significant traffic problems have arisen as the long drive-thru lines overflow into streets and major roads, **blocking traffic** and **disrupting surrounding businesses**. This issue can be **mitigated through** the use of the Chick-fil-A app for **mobile-ordering**, **in-queue ordering** with team members going to the drive-thru with digital tablets to take orders, and an efficient location layout to accommodate for a **multi-lane drive-thru design**.
- During 2021, Chick-fil-A faced a **sauce packet shortage** because of industry-wide issues, which was alleviated with the **decrease of freely-given sauces** and the introduction of their eight-ounce bottles of signature sauces into restaurants. Furthermore, Chick-fil-A was affected by the **bird flu outbreaks**, forcing them to **change their “No Antibiotics Ever” chicken policy** to allow their suppliers to use antibiotics to maintain a consistent and sufficient supply of chicken for their product menu.

E. Describe the requirements to franchise.

All potential franchisee for Chick-fil-A must meet the requirements below:

- An upfront **franchise fee of $10,000** in non-gifted, non-borrowed funds
- A **strong financial history** and **experience in management and leadership**

Chick-fil-A has one of the **lowest initial franchise fees** and **does not specify any minimum net worth requirement**, which makes these franchise opportunities highly coveted. The Chick-fil-A corporation **covers building costs, real estate, and all equipment** for each franchise location, leading to the reduction of costs for Chick-fil-A franchisees compared to other franchises. However, the **company takes 15% royalties on sales and 50% of net profit**, which further encourages Owner-Operators to be dedicated and active towards making their business profitable.

III. BUSINESS ENVIRONMENT

A. Describe how environmental factors such as the local, national, or international economy, changes in population, interest rates, changes in levels of employment, etc. may affect your business.

Year	Pop.	%±
1980	49,729	0
1990	75,636	52.1%
2000	91,565	21.1%
2010	124,442	35.9%
2020	141,384	13.6%
2024	146,271	3.5%

Visalia's population is growing at a steady rate, averaging a **13.6% increase over 10 years** and projecting to reach **146,000** by 2026. This increases the local consumer base for our Chick-fil-A, as well as creating a larger pool of potential employees. Visalia's current increase of retail employment reflects a shift towards a stronger local economy and job market, which has the potential to positively impact our Chick-fil-A franchise while also impacting our labor costs and staff management.

Changes on the local level have a direct impact on our Chick-fil-A operations, especially regarding wages. California mandates a **$21 per hour minimum wage** for fast food employees, which increases labor costs compared to neighboring states. Although these higher wages can shrink profit margins, they also have an implicit effect on sales. California's higher labor costs also translate to **higher discretionary incomes**, which increase consumer spending on non-essential goods, including quick-service restaurants. This trend is indicated by California's high consumer spending per capita (Personal Consumption Expenditures), showing that despite higher costs, the consumer base remains active. Our Chick-fil-A is poised to capitalize on this trend, as Visalia serves as the **commercial hub** of Tulare County.

The national economy also plays a crucial role in influencing operating costs. **Inflation increases the cost of materials**, including inventory, packaging materials, utilities, and supplies. Interest rates have a similar effect on our operation. As Chick-fil-A corporate owns a substantial amount of operating assets, including the property and equipment, rising interest rates can increase our leasing expenses. **Rising interest rates also impact our financing costs**, as our amortizing loan payments increase with high interest rates.

The international economy does not have much of an effect of our business, as the vast majority of Chick-fil-A locations are in the U.S., with the supply chain designed to work with domestic locations specifically. Chick-fil-A sources most food items and ingredients and manages them domestically, which **reduces exposure to the international market** and insulates our business from major international economic changes such as tariffs and exchange policy.

All of these increased expenses could **increase consumer price sensitivity**, leading to their choice of lower-cost menu items, or alternative dining options. Understanding the environmental dynamics is crucial to **balancing our pricing, management, and staffing** to maintain a high level of profitability.

IV. PRODUCTS & SERVICES

A. List and describe the products and/or services offered.

Products Offered

Chick-fil-A is recognized for its **high-quality chicken entrées, commitment to freshness**, and **leading customer service**. Known for the **Original Chicken Sandwich,** their signature and most popular dish is created using a pressure-cooked, breaded chicken filet served on a bun with fresh pickles. Other top-sellers include their chicken nuggets, Spicy Chicken Sandwich, and Grilled Chicken option, showing the **appeal to both traditional and health-conscious customers**. Freshly-prepared salads (e.g., Cobb Salad and Market Salad) widen the menu and offer premium, **nutrient-rich choices.**

Chick-fil-A enhances its brand through many **seasonal innovations** like the Peach and Peppermint milkshakes, as well as the Berry sodas during the summertime. These items generate higher interest and **increase customer loyalty.** All products are **prepared in-house daily**, supporting Chick-fil-A's reputation for freshness and quality.

Putting the "Fast" in Fast Food

In addition to its food offerings, Chick-fil-A provides an extensive range of customer-focused services. The The **Chick-fil-A App** allows customers to place **mobile orders, earn rewards,** and access **exclusive promotions** through the **Chick-fil-A One** loyalty program. Locations also provide **drive-thru, curbside pickup**, and **delivery** options, ensuring fast and convenient service. Chick-fil-A is known for having some of the **fastest** and **most accurate** drive-thrus in the quick-service industry due to **dual-lane systems** and **face-to-face ordering.** Chick-fil-A also offers **catering services** for events ranging from small gatherings to large corporate functions. Popular catering items include nugget trays, chicken sandwich boxes, salad bowls, and gallon beverages.

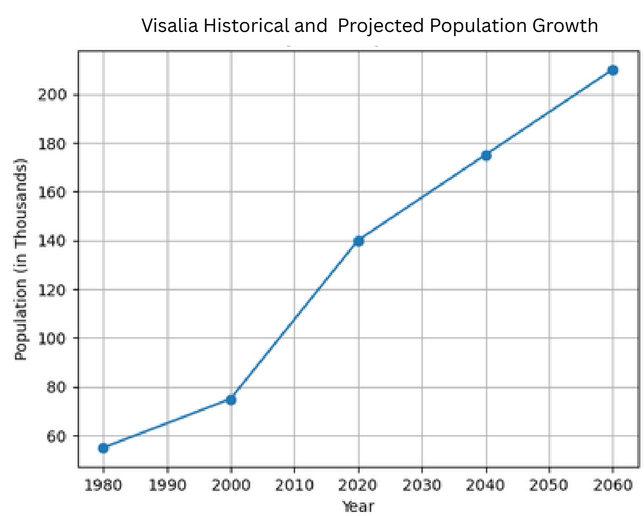
V. PRESENT MARKET

A. Describe the present market (geographic location of your potential customers, types of customers).

The present market for our franchise will consist primarily of **families, working professionals, students**, and **daily commuters** who live in and travel through Visalia, California. Visalia is a **rapidly growing city** in California's central valley. Visalia has a population of approximately **146,000 residents** (as per the 2025 census) and functions as a regional commercial, medical, and retail hub for Tulare County, which has a population **exceeding 480,000.** This geographic positioning provides the franchise with an advantage of having a **broad** and **reliable customer base** that supports **consistent traffic** throughout the day.

The franchise's **target market** is all **individuals and families** seeking a **quick-service restaurant** that delivers more than speed alone. Our customers will be drawn to Chick-fil-A for its **clean environment, high food quality,** and **service-oriented culture,** which differentiates our franchise from our competitors. Customers develop an **emotional connection** through positive employee interactions and frequent visits, which **builds long-term loyalty. Community-based initiatives** such as **promotions, local giveaways,** and **service-focused outreach** further strengthen the franchise's connection to Visalia residents while attracting both first-time and returning guests.

B. Describe the growth potential in your market.



Visalia's continued population growth and expanding commercial development create **strong growth potential** for the franchise. The city's increasing number of families, young professionals, and commuters supports rising demand for **reliable** and **efficient quick-service restaurants**. As Visalia continues to develop as a regional shopping and employment center, customer traffic is expected to **increase** across major retail corridors and transportation routes. Chick-fil-A's proven ability to dominate local markets through **operational efficiency, strong brand loyalty,** and **superior service** positions our franchise to capture a growing share of this demand. Chick-fil-A's focus on community engagement and customer experience allows the franchise to retain customers, building a long-term connection**,** supporting **sustained revenue growth** rather than short-term traffic spikes.

C. Describe the current pricing policy.

Standardized Pricing Policy

Chick-fil-A operates under a **standardized pricing model** established at the **corporate level, ensuring consistency, fairness,** and **brand equity** across franchises. However, **pricing varies across different regions** of the US depending on Chick-fil-A's corporate decisions based on regional customer data.

The prices are designed to remain **competitive** within the quick-service restaurant industry and help to reflect the brand's commitment to **quality ingredients, food preparation,** and **hospitality.** Although some people consider Chick-fil-A's pricing to be expensive, these prices are justified by **the use of high-quality** and **fresh ingredients.**

D. If the business is seasonal, explain how the company adjusts to seasonal factors.

As Chick-fil-A operates year-round, our franchise will **adapt to seasonal fluctuations** through limited-time menu items, promotional campaigns, community events, and targeted marketing initiatives. Seasonal offerings (e.g., specialty beverages and rotating menu items) **help retain customer interest** during slow seasons while increasing customer traffic during the peak seasons. Additionally, the franchise will **adjust staffing levels** (hiring employees) and operating hours, and focus on engagement in the community to match the seasonal demands and the number of customers that visit the restaurant. Our focus of remaining flexible and responsive to the seasonal patterns will **maintain our franchise's service quality**, operational efficiency, and revenue stability throughout the year.

VI. COMPETITION

A. List the company’s primary competitors in your market. Identify their strengths and weaknesses.

Below is the data from our market analysis identifying the **strengths and weaknesses of our competitors** in the Visalia area. Our primary competitors are **brands categorized as fast food restaurants**, as our customer base views Chick-fil-A as a **quick service venue** rather than a sit-down restaurant.

	Primary Competitors		
	Popeyes	**KFC**	**Jack-in-the-Box**
Strengths	• Unique, Cajun-inspired menu • Known for its crispy fried chicken	• Global presence in over 150 countries • Use of co-brand locations with Taco Bell and Pizza Hut to offer wider selection of items	• Wide range of menu (burgers, chicken, tacos, breakfast items) • 24-hour breakfast menu
Weaknesses	• Complaints about drive-thru and missed orders • Limited menu for health-conscious customers	• Unfavorable online reviews regarding customer service • High employee turnover rates	• Limited national presence • Inconsistent food quality
Logo			

Visalia Chick-fil-A SWOT Analysis	
Strengths • Strong brand recognition • High quality food items • Priority on customer experience • Strong corporate culture and positive work environment • Donates to nonprofits addressing hunger, homelessness, and education	**Weaknesses** • Closed on Sundays • Limited global presence (concentrated in the southeast US) • High pricing due to high quality • Political controversies
Opportunities • Build collaborations with nearby charities and food banks • Use of innovative social media marketing • Novelty Brand: Currently, there are no other Chick-fil-A’s in the city of Visalia • Favorable location → positioned near hotels, schools, and next to major highway	**Threats** • Competitors have an established presence within the area • Increased competition in fast food industry • Impacted by supply chain disruptions, especially regarding chicken

B. List the advantages the company has compared to its primary competitors.

Grade-A Ingredients

The capital letter “A” in the company name specifically stands for “Grade-A," representing their **prioritization of high-quality ingredients**. Chick-fil-A ingredients are **responsibly sourced** from trusted suppliers who follow **strict quality standards**, so that their customers are guaranteed food made with the **finest fresh produce and chicken**.

It’s Our Pleasure

Within the Chick-fil-A company, all employees follow a **“customer-first” based policy**, **emphasizing customer experience** from the very start of training. A popular story about Samuel Truett-Cathy is that one day, he admired the way a hotel employee responded “my pleasure” to his “thank you,” a simple phrase that made him feel valued and cared for. Truett-Cathy went on to encourage his employees to respond the same way, **differentiating the Chick-fil-A brand from others** to become the epitome of positive customer service.

Giving Back to the Community

Through their company culture of service, Chick-fil-A aims to give back to the community in any way they can. For every new Chick-fil-A location that is opened, the **company donates $25,000 to local food banks** to support the fight for hunger. In the **Shared Table program**, participating Chick-fil-A restaurants **pack unsold food** for nearby **soup kitchens and shelters**, working to **reduce hunger and food waste** in their communities. Chick-fil-A also has their **Remarkable Futures Scholarship program** for Team Members, creating **opportunities for young employees** to have better access to education.

C. List the disadvantages the company has compared to its primary competitors.

Closed on Sundays

Truett-Cathy instilled the tradition of closing the restaurant on Sundays well before Chick-fil-A even began. It is estimated that the Chick-fil-A company **loses more than $1 billion** a year due to staying closed on Sundays. However, there are some benefits that alleviate said losses, as closing on Sundays **provides Owner-Operators and employees a day to rest** and recharge, which has **decreased employee turnover rates** compared to our competitors.

Perceived as Expensive

Chick-fil-A’s products are generally considered on the expensive side due to **recent supply chain shortages** impacting the industry, **increasing labor costs**, and the result of **inflation**. Chick-fil-A is said to have increased the price of their Original Chicken Sandwich by 21% from 2021 to 2023, and these **higher prices may turn away customers** looking for a cheaper meal. However, many loyal customers still appreciate the brand because of **Chick-fil-A’s high-quality food and exceptional customer service**, making the dining experience worth the cost.

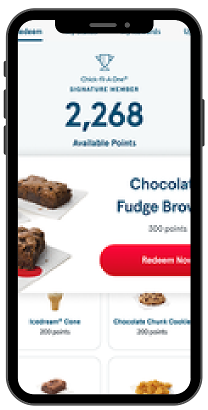
VII. MARKETING PLAN

A. Describe the company's existing marketing techniques, strategies, and tools.

Eat Mor Chikin’ Marketing Campaign

Chick-fil-A’s most recognizable and highly successful marketing campaign is the **“Eat Mor Chikin” campaign**. The campaign uses humor and storytelling to maintain the **national brand recognition** and promote the company’s chicken products. The campaign began in **1995,** when a group of people dressed as cows painted the message “Eat Mor Chikin” on a highway in Atlanta, pleading humorously for humans to eat chicken instead of beef to **save cows** from being eaten.

The cows have become the **company's iconic mascot**, appearing on billboards, TV commercials, and digital platforms to help **engage customers across the US** and make the brand even more recognizable. Events during Chick-fil-A Grand Openings or Cow Appreciation Day also **encourage customers to dress up as cows** to receive free food and generate excitement towards new franchise locations.



Chick-fil-A App Marketing

The **Chick-fil-A app** serves as a **direct connection** between the brand and its customers. The app integrates **mobile ordering,** contactless payment, and **a rewards-based loyalty program** that incentivizes repeat visits while enhancing customer convenience. The app strengthens **long-term relationships** and encourages consistent engagement without relying on traditional discounts or coupons. The app allows for **hyper-local targeting,** where individual restaurant operators can **personalize offers,** engage in community events, **and use localized social media**/direct mail for specific neighborhoods.

Seasonal Promotions

Seasonal promotions further enhance Chick-fil-A’s marketing strategy by **creating excitement** and **urgency** around limited-time menu offerings, such as seasonal milkshakes and specialty beverages. These promotions are heavily supported through the **Chick-fil-A app** and **social media platforms,** allowing customers to receive **real-time updates** and **exclusive offers.** By combining **app-based engagement** with **seasonal product** launches, Chick-fil-A successfully drives **short-term traffic** while reinforcing **brand loyalty** and maintaining its **premium, experience-driven** marketing approach.

B. Describe the marketing techniques, strategies, and tools you will use in the future to promote the business.

Our franchise's marketing strategy is designed to prioritize long-term relationship-driven growth rather than short-term promotional tactics. By focusing on **hospitality, trust,** and **brand experience,** Chick-fil-A is able to convert **first-time guests** into **long-term loyal customers** while preserving the company's values.

The Visalia franchise will emphasize efforts that are **centered around the community** and telling the **company's story** through social media. Our franchise will continue to use platforms such as **Instagram** to showcase **real customer experiences, team culture,** and **local partnerships.** These techniques will be unified under our **CHICK Marketing Plan** that we will incorporate to ensure that all marketing strategies and campaigns are **clear, cohesive,** and **aligned with both corporate efforts and community impact**.

MARKETING TOOL: CHICK ACRONYM	
COMMUNITY ENGAGEMENT	• Community involvement will serve as the foundation of our marketing strategy. • Encourages participation in events such as family nights, school spirit nights, first-responder appreciation events, and partnerships with local nonprofits. • Programs like Chick-fil-A's Shared Table initiative will provide free meals to community organizations, reinforcing the brand's commitment to service and care.
HOSPITALITY-DRIVEN EXPERIENCES	• Focus on memorable experiences, including giveaways, first-time guest meals, and customer appreciation events. • Aligns with Chick-fil-A's belief that genuine service and generosity towards customers create stronger, longer-lasting customer relationships.
INTERACTIVE SOCIAL MEDIA	• Social media will play a critical role in engaging the local market. • Our dedicated social media account will promote seasonal offerings, partnerships, hiring opportunities, and behind-the-scenes content. • Interactive features such as polls, giveaways, and event announcements will increase our engagement and brand awareness among younger demographics
COOPERATIVE DMA MARKETING	• Participating in DMA-level marketing will allow our franchise to collaborate with nearby restaurants to pool resources for larger regional campaigns. • This cooperative approach allows the franchise to benefit from expanded reach.
KNOWLEDGE BASED EVALUATIONS	• Initiatives will be implemented strategically and will be evaluated using metrics such as foot traffic, event attendance, and digital engagements. • Ensures that marketing investments remain efficient, scalable, and aligned with long-term growth objectives.

VIII. MANAGEMENT & ORGANIZATION

A. Describe your management team and its strengths and weaknesses.

The management team of our Chick-fil-A location will start with the **three franchise owners**: Brian Guan, Emma Ng, and Tarun Ravesanker. Chick-fil-A franchisees do not receive equity stakes in the business itself, but **each franchisee will equally share the risk and decision-making** regarding the business. To ensure that the Visalia Chick-fil-A can run as smoothly as possible, each of the franchise owners will lead a specific sector of management.

The **Director of Operations** will be **Brian Guan**, due to his excellent capabilities with numbers and analytical skills. His natural inclination for logical thinking will greatly contribute to the success of our franchise and its daily operations. Brian's job will be to **manage operational budgets**, **implement business strategies to improve performance**, and **optimize business operations to reduce costs**. His duties of overseeing inventory, quality control, and kitchen operations will give him the insight needed for financial decision making that will ultimately lead the business to meet its objectives.

The **Director of Human Resources** will be **Emma Ng**, because of her strong leadership and organizational skills, as well as her love for collaboration and teamwork. Emma's job will be to **oversee the hiring, training, and onboarding of all employees and managers**, **implement company policies**, and **foster a positive workplace environment for all Team Members**. Chick-fil-A is known for its unique company culture and exceptional customer service, so Emma has a greatly important task to ensure that those values are reflected in our employees.

The **Director of Marketing** will be **Tarun Ravesanker**, who has proven to be exceptional with his communication skills and knowledge of social media platforms. He is the best person to bring our passion for Chick-fil-A to life, drawing in customers looking for guaranteed high-quality food and noteworthy customer service. Tarun's job will be to **post daily** (excluding Sunday) and **maintain a strong presence on platforms** like Instagram, TikTok, and Facebook. He will also **set up and sustain partnerships** with organizations, charities, and schools.

Although having three co-owners of the business **provides unique perspectives** on how to solve business issues, this can also lead to **slower business decision-making and disagreement**. Furthermore, we acknowledge that this will be our first time working as franchisees and owners of a business, and the level of management is substantially different than any other experience.

Franchisees	Strengths
Brian Guan Director of Operations	• Excellent analytical and logical skills • Reliable and honest about future outlooks
Emma Ng Director of Human Resources	• Strong leadership and collaboration skills • Organized and likely to take initiative
Tarun Ravesanker Director of Marketing	• Skilled at troubleshooting issues and thinking outside the box • Innovative and detail-oriented

B. Describe your plan to further develop your management team.

Since being selected by Chick-fil-A to become an Owner-Operators, we have participated in **Chick-fil-A's Leadership Development Program** for two years in preparation for opening our own franchise. Through this program, we strengthened our leadership skills through **exposure to the everyday business operations** and **gained real-work experience in different managing roles**.

We plan to develop our management team further by devising a **Leader-in-Training program** to specifically train our Shift Leaders (assistant managers) in the skills needed to successfully supervise their assigned stations during their shifts. The goal of this program will be to have fully-trained Shift Leaders that are **prepared to oversee new employees and aid Team Members** in learning the skills needed to **increase efficiency and quality** of service.

C. Describe your management succession plan — who will take over in the event of the incapacity or continued absence of any owner or key employee?

As franchisees and Owner-Operators of Chick-fil-A, we fully understand and accept the weight of responsibilities we have for our restaurant and employees. Any continued unexcused absence of a director/franchisee will result in his or her duties being divided among the remaining franchisees. This means that all franchisees will participate in **cross-training to be capable of performing the absent franchisee's duties** in the event that they are not present. If a key employee leaves, we will choose to **promote a full-time employee** who has **demonstrated leadership qualities** and **effective problem-solving skills during opening, closing,** and **mealtime-rush shifts**. This allows for **career growth** and **develops internal talent** within our franchise, while also **reducing employee turnover rates**.

D. Describe the need for, and how you will obtain, additional management personnel based on present and projected sales.

As we open in September 2026 and experience a growth of sales, we expect to **hire more employees as needed**, whom we can easily find due to our location in Central Visalia. To find competitive, available young adults to become Team Members, we will hire more employees during the summer months into when school starts. This is because the **summer season tends to have a higher trend of students and young adults** looking for **summer jobs or part-time jobs** during the school year. Potential candidates for any management role will go through **multiple interviews** by each franchisee to verify that he or she is **willing to put the same effort and passion into a leadership role** at Chick-fil-A.

IX. BUSINESS RESOURCES

A. List the major operating equipment that you will purchase or lease.

Our plan includes the lease of all major food equipment directly from Chick-fil-A management itself. Our bare necessities include **commercial pressure fryers, open fryers, industrial grill tops, ovens, and prep stations**, which are required for food service. Refrigeration and storage are key to supporting food service, requiring the installation and lease of **industrial refrigeration** units in conjunction with **walk-in freezers** to keep large amounts of inventory fresh for use and service. Chick-fil-A's FDD estimates around $3,000 to $4,000 in monthly equipment costs, factoring in the equipment lease.

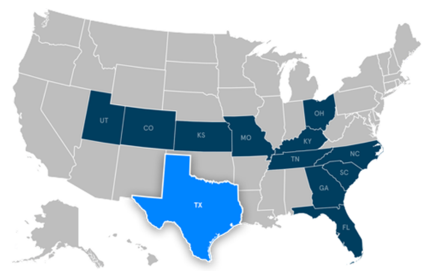
Equipment

- Commercial Fryers
- Cooktops
- Ovens
- Prep Surfaces
- Refrigeration
- Freezers

B. List major suppliers, location and payment terms.

Chick-fil-A operates **several distribution centers** around the U.S., the closest of which is located in **Dallas, Texas**. As a Chick-fil-A franchise, we will be serviced by Chick-fil-A Supply, which trucks inventory from distribution centers like Dallas to our location weekly. Our leased equipment will be supplied from a variety of **partnered retailers that Chick-fil-A management organizes**, examples including Henny Penny and Randell for our fryers and refrigeration systems. Both inventory and equipment lease will be paid monthly.

Chick-fil-A SUPPLY



C. Identify other outside resources used or needed to fulfill customer requirements.

Other expenses for customer satisfaction include costs for **packaging, utensils, and general disposables**. Decor will also become an expense as we accommodate and appeal to certain festivities or support marketing promotions as a part of our localized campaigns.

D. Describe quality control procedures.

As Chick-fil-A's brand is known for holding high standards, cleanliness is of utmost importance. Employees are expected to maintain clean workspace at all times to prevent food contamination, and practice general health and safety procedures at all times. Visalia Chick-fil-A employees will practice the **C.F.A. procedure** to ensure that our Team Members are **meeting quality standards** at all times to **maintain customer satisfaction**.

CLEANLINESS
Follow handwashing and glove-change protocols, complete hourly sanitation checks in kitchen, dining area, and restrooms

FRESHNESS
Monitor cooking temperatures for chicken, prepare fresh breakfast items and salad daily

ATTENTIVENESS
"Table-Touches" to check on customers and address their needs or concerns, bag-check orders before handing to guests and customers

E. Describe the availability of skilled labor to meet your company needs.

Chick-fil-A provides **entry-level employment** for working-age high school students and young adults looking for **part-time jobs**. Because our franchise will be located near the College of the Sequoias and the Visalia Mall, our Team Member positions will be easily **accessible and filled by the expected age demographic of 15 to 34 year-olds**, which makes up about 28% of Visalia's population. For **full-time management positions**, we expect **applicants to have experience in leadership** and the food service industry, as well as demonstrate a strong commitment to customer service. Since many of the competitor fast food restaurants in the Visalia area have high employee turnover rates, we can **hire those employees who have food industry experience** and are **likely to join us due to our focus on employee satisfaction**.

F. Describe the type and extent of necessary training that will be required to upgrade the skills of labor and administrative employees and the estimated cost.

The Chick-fil-A company invites Chick-fil-A Owner-Operators and leaders to regularly attend **corporate office sessions**, where they can **realign their business strategies based on up-to-date customer and market data**. These sessions will aid our decision-making to maximize business operations in our restaurant. Employee training will be **hands-on training during restaurant hours,** where Team Members will learn every role (restocking in the morning, taking orders at counter and drive-thru, preparing food, etc.). A Shift Leader will supervise performance and help new-hires improve efficiency, as they have more experience in leading the shifts. Basic employee training will be a **40-hour investment** with an estimated cost of **$850 per person**, or based on their paid training wages.

G. Projected number of full-time and part-time employees

We plan to hire a **total of 117 employees**, which is visually broken down into the five-tier organizational structure below. The first three tiers consist of **8 full-time employees** (plus the directors), and the last two tiers include **109 part-time employees**. Free standing restaurants typically have around 100 employees working a shift during peak-season and 60-70 employees during the off-season.

H. Organizational chart

Position	Responsibilities
Owner-Operators (3)	Planning and adapting operations budget, hiring management and employees, organizing promotions/community outreach events, and making key business decisions
Assistant Directors (2)	Observing employee and operations performance to report to directors, assisting with opening and closing shifts, and filling in for absences of key employees or leaders
Shift Leaders (6)	Leading daily operations for an entire shift, ensures Team Members are following company policies and procedures, and works closely with owners to report on restaurant performance
Team Leaders (9)	Responsible for assisting Shift Leaders by leading Team Members in specific areas in the restaurant (e.g., kitchen, cashier, drive-thru)
Team Members (100)	Preparing food, serving customers (dining room or drive-thru), running the cashier, and cleaning the location

X. FINANCIAL PLAN

A. Describe the company's sales and profit trends.

Chick-fil-A has seen an **exponential growth in sales**, translating into surging profits. Sales data from 2014 shows a system-wide sales of 5.7 billion dollars, which has climbed to 22.7 billion dollars as of 2024. This is an approximate increase of **298.25% over 10 years** (2014-2024), which equates to a **14.8% yearly growth** (CAGR) in sales. This is much higher than the approximate 51% increase in the US fast food industry's sales. These sales numbers have made **Chick-fil-A the highest grossing chicken franchise**, in addition to maintaining Chick-fil-A's position as the most profitable franchise per location.

B. Outline your strategy and timing for obtaining capital.

Chick-fil-A requires a franchisee to provide **$10,000 in non-gifted and non-borrowed funds as an initial investment.** One franchisee will fulfill this starting investment with qualifying personal funds, with the remaining franchisees contributing proportional shares, resulting in an equal contribution of **$3,333 per franchisee**. In addition to this startup fee, each franchisee will **contribute $150,000 in personal equity**, equating to $450,000 of unborrowed capital. While the initial investment of $10,000 may not be composed of borrowed funds, franchisees are permitted to obtain **supplementary funding to support startup and operating costs**. We will be requesting an amortizing loan of $550,000 at 9% interest over a 7-year term, which will increase our working capital to support early expenses, such as wages, inventory, and lease. This loan is planned to be borrowed on March 1st, 2026.

	Year	Annual Payments	Paid Principal	Paid Interest	Balance
Amortizing Loan	2026	**$106,187.88**	$59,085.72	$47,102.16	**$490,914.28**
	2027	**$106,187.88**	$64,628.36	$41,559.52	**$426,285.92**
	2028	**$106,187.88**	$70,690.95	$35,496.93	**$355,594.97**
	2029	**$106,187.88**	$77,322.26	$28,865.62	**$278,272.71**
	2030	**$106,187.88**	$84,575.58	$21,612.30	**$193,697.13**
	2031	**$106,187.88**	$92,509.37	$13,678.51	**$101,187.76**
	2032	**$106,187.88**	$101,187.76	$5,000.49	**$0.00**

Breakeven Analysis

Our Chick-fil-A is expected to **break even approximately 13 months after startup**. This was calculated by dividing the total invested funds ($1,000,000) by the projected Year 1 net income ($957,968.40). This effectively results in our Chick-fil-A maintaining **net-positive growth**, as the Year 2 revenue covers its expenses, maintaining a cash surplus and profitability. It is plausible to conclude that our Chick-fil-A franchise is highly capable of returning on investment and maintaining its profitability.

C. Two-year projected operating statement

Two-Year Operational Statement

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 1	Year 2
Operating Revenue						
Revenue	$2,026,000	$2,068,000	$2,142,000	$2,184,000	$8,420,000	$8,940,000
Operating Expenses						
Wages/Payroll	$649,600	$605,100	$605,100	$605,100	$2,464,900	$2,610,000
Franchise Fee	$303,900	$310,200	$321,300	$327,600	$1,263,000	$1,341,000
Training	$46,000	$19,500	$10,500	$11,500	$87,500	$16,500
Utility	$15,330	$16,000	$14,600	$16,790	$62,720	$66,020
Equipment Lease	$17,000	$12,000	$12,000	$12,000	$53,000	$48,000
Lease & Insurance	$92,000	$84,000	$84,000	$84,000	$344,000	$359,000
Inventory	$252,000	$210,000	$225,000	$270,000	$957,000	$1,005,000
Marketing	$15,000	$11,000	$10,000	$11,000	$47,000	$52,000
Total Operating Expenses	$1,390,830	$1,267,800	$1,282,500	$1,337,990	$5,279,120	$5,497,520
Income Before Tax	$635,170	$800,200	$859,500	$635,170	$3,140,880	$3,442,500
Taxes	$247,716	$312,078	$335,205	$247,716	$1,224,943	$1,342,575
Pre-AOSF Income	$387,454	$488,122	$524,295	$387,454	$1,915,937	$2,099,925
Additional Operational Service Fee (AOSF)	$193,727	$244,061	$262,148	$258,033	$957,968	$1,049,963
Net Income	$193,727	$244,061	$262,148	$258,033	$957,968	$1,049,963

D. One-year projected cash flow statement

PROJECTED CASH FLOW

CASH INFLOWS

REVENUE	$8,420,000
OWNER FUNDS	$450,000
LOAN FUNDS	$550,000
TOTAL CASH INFLOWS	**$9,420,000**

CASH OUTFLOWS

STARTUP COSTS	$812,930
NON-STARTUP EXPENSES	$4,466,190
TAXES	$1,224,943
LOANS	$106,187.88
Chick-fil-A Additional Operating Service Fee (AOSF)	$957,968.40
TOTAL CASH OUTFLOWS	**$7,568,219.28**

CASH SURPLUS

$1,851,780.72

XI. CONCLUSION

Chick-fil-A is one of the **premier companies of the fast food industry**, expanding steadily across the US from its beginnings on the East Coast. As passionate entrepreneurs looking to become franchisees and part of the Chick-fil-A company, we have **chosen to open our Chick-fil-A franchise in Visalia** because of its substantial market potential.

- While there are many fast food competitor brands in the area, none of them pose a significant threat to our franchise when compared to Chick-fil-A's renown for its **high-quality food**, **commitment to freshness**, and **outstanding customer service**.
- The **target market** for our franchise will be **individuals and families** looking for quality food that customer can enjoy.
- With our franchise's focus on community engagement and local impact, we have implemented specific **marketing strategies** encompassed in our **CHICK acronym**.
- Focusing on **targeted and digital marketing**, as well as hosting **community appreciation events,** will increase our brand awareness. This allows us to **serve our local community,** something beyond being just another fast food restaurant.
- Through Chick-fil-A's organizational structure, we effectively use the skills and strengths of each franchisee to create a **collaborative management team**, which will help develop the leadership skills and work experience of our employees.

Financial Request

We are requesting an amortizing loan for **$550,000 at an interest rate of 9%**. This loan will be repaid over **7 years** with monthly payments of $8,849. As seen in our two-year operating statement and projected cash flow statement, this loan will boost our starting capital tremendously, allowing us to cover our initial startup costs. **Our finances indicate an extremely quick breakeven and return on investment**, reaching an estimated **$8,420,000** in the first year of operation, and breaking even within 13 months of startup.

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XIII. APPENDIX

We corresponded and met with **Ms. Ellie Kim**, who has been a **Chick-fil-A franchisee for twenty years** and involved in **four locations** across the East coast. She is also the operator of the franchise in our hometown of Nanuet. She was able to meet with us and provide us **valuable information about Chick-Fil-A's business operations**, which we embedded into our report. Her knowledge of running a successful franchise proved vital to our analysis.