PROJECT SCOPE STATEMENT

Note: Any work not explicitly included in the Project Scope Statement is implicitly excluded from the project.

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>Adam's BBQ Takeout Restaurant</th>
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</thead>
<tbody>
<tr>
<td>Prepared by:</td>
<td>Team 1</td>
</tr>
<tr>
<td>Date (MM/DD/YYYY):</td>
<td>05/03/2009</td>
</tr>
</tbody>
</table>

Version History (insert rows as needed):

<table>
<thead>
<tr>
<th>Version</th>
<th>Date (MM/DD/YYYY)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>05/03/2009</td>
<td>Initial document compiled.</td>
</tr>
</tbody>
</table>

1 Please refer to the supplemental document – Instructions for Project Scope Statement – for detailed information about completing this form.
1. Executive Summary

Provide below a brief overview of this project (e.g., project purpose and justification):

The project’s purpose is to open a small fast food restaurant which will serve healthy Texas Style BBQ. Due to the lack of such fast food BBQ restaurants in the Pacific Beach dining community, this project aims to fill a void and succeed in attracting customers who seek fast, convenient and high quality BBQ food.

Provide a brief project summary in the space below. This information may be available in the Project Charter. Also provide a link to the Project Charter for reference. [http://adamsbbq.weebly.com/project-charter.html]

The project will be executed by acquiring a small building (approximately 800 Sq Ft) in Pacific Beach and then converting it into a fast food restaurant complete with a drive-through window. The restaurant will provide BBQ made with fresh, organic ingredients – all of which will be available to customers via carry-out and drive-through.

The milestones of the project include:

• Renovation: 12/1/2009 – 2/1/2010
• Marketing and Grand Opening: 3/1/2010 – 5/1/2010

Note: In any instance where there is a discrepancy between the Project Charter and the Project Scope Statement, the latter is considered authoritative.

2. Business Objectives

2.1 Product Description (Solution):

➢ Adam’s BBQ Restaurant will give San Diego what it has been craving, great BBQ! Adam’s BBQ thrives on providing each customer with the “Adam’s Experience” - Authentic Texas style “Get-It to Go” BBQ. Folks that love BBQ will enjoy Adam’s BBQ secret family recipe “BBQ sauces and rubs from many generations past. Adam’s #1 mission is to ensure customers are thoroughly satisfied, to satisfy that one single craving: Mesquite grilled baby back beef ribs and chicken. Providing consistency, quality, freshness and friendly service is Adam’s passion for fantastic BBQ.

➢ Adam’s drive-thru Only BBQ restaurant specializes in made-to-order authentic Texas style BBQ and serving delicious sides made from only fresh high quality ingredients.

➢ San Diego has waited too many years and now the wait is over! Adam’s BBQ opens its first drive-thru restaurant May 1, 2010, located in the community of Pacific Beach at the corner of Mission Blvd. and Garnet Ave. that will serve a diverse community of skateboarders and BMWs.

2.2 Business Objectives:
2. Business Objectives

Adam’s BBQ First three years of operation include:

- Maintaining tight controls on costs and operations by hiring a managing partner/proprietor utilizing automated computer/Internet control.
- Expanding our marketing and advertising in San Diego neighboring suburbs to increase our customer base.
- Averaging sales between 1-2 million dollars per year.
- Keeping food cost fewer than 35% of revenue.
- Keeping employee labor cost between 16-18% of revenue.
- Improving our Gross Margin from a target of 65.41% in Year 1 to 67.10 in Year 2; goal is to attain a 70.73% by Year 3.
- Promoting and expanding the “Adam’s Experience” BBQ restaurant concept as a unique destination restaurant by opening one additional restaurant in the first years of operation.
- Achieving a profitable investment return for investors beginning year 2.
3. Project Description

For each area below, provide sufficient detail to define this project adequately:

<table>
<thead>
<tr>
<th>3.1 Project Scope</th>
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3.1 Project Scope:

The scope of the project is to plan the launch of an organic Texas bar-b-q drive-up or carry-out restaurant in the heart of San Diego night life area Pacific Beach. The project will be initiated in July of 2009 and come to completion in May 2010. The project will be considered completed when the restaurant is able to conduct point of sales. The project is slated to cost no more than $750,000. The project will have four milestone phases: research; procurement; renovation and styling; and grand opening. The primary deliverables in each phase are as follows:
## 3. Project Description

**Deliverables:**

### i) Research Phase:

(a) Vendor Acquisition Contracts
   1. Food
   2. Dry goods
   3. Builders
   4. Janitorial

(b) Customer base profitability business plan

(c) Interior Design plans

(d) Exterior Design plans

(e) Site proposal plan

### ii) Procurement Phase:

(a) Purchase building or sign lease agreement

(b) Obtain health permits and register business

(c) Cooking equipment

(d) Procure building renovation materials

(e) Procure restaurant décor
   (i) Interior
   (ii) Exterior

(f) Procure electronic accounting, inventory, point of sale system

### iii) Renovation and styling:

(a) Demolition

(b) Construction

(c) Installation of interior and exterior items

(d) Menu development

(e) Staff acquisition

### iv) Grand opening:

(a) Conduct advertising campaign

(b) Stock food stuffs and dry goods

(c) Establish restaurant flow and timing

(d) Train employees

(e) Set resupply inventory schedule
### 3. Project Description

**Does Not Include**

- Full service sit down restaurant. Limited sitting only.
- Liquor license
- Growing of food

#### 3.2 Project Completion Criteria:

The project will be considered complete when the restaurant is open for business and serving customers.

#### 3.3 External Dependencies: Who outside the project team will you depend on for successful completion of this project?

San Diego County officials will be critical for the completion of this project. Without the approval for the various pre-construction, final construction and business permits the project will not be complete.

Health officials will need to inspect and approve the project before the grand opening day.

San Diego Gas and Electric is essential to make sure we have the appropriate electrical and gas supply to start construction and power to run our equipment.

#### 3.4 Assumptions: e.g. mandated completion date, staffing limitations, etc.

The final completion date of the project will be May 1, 2010.

**Staffing & Training:**

There will be a staff of 12 hired. Training will begin a week before the grand opening.

General working times are as follows:

- Weekdays from 10 am to 10 pm Sunday-Thursday and 10 am to 3 am Friday to Saturday
- Calculations are based on an 8 hour day and 40 hour week
- Each employee (resource) will only work up to a maximum of 8 hours per day. Or alternatively 8 hours per day is 100% of each worker's allocated work units.

The activity durations are presumed to be correct, although extra flexibility has been built into the plan to mitigate any time problems.

The Resource Costs are known however, the Fixed Costs (purchase or lease of the building, kitchen equipment, dining room furniture etc) are not known and so have been estimated. Any changes to these fixed costs will affect the total project cost.

#### 3.5 Constraints:

There are no constraints associated with each individual task, which means that there is no date set by which a task must be completed. The only constraint or deadline is the Grand Opening day.