PuntoItaliano

BUSINESS PLAN 2011

Group A

Università per gli studi di Macerata

Master Relations with Eastern Countries 2011

OUR TEAM

- DIPTI PATWARDHAN-India
- HUIJIEXU-China
- BURAK NISANCI- Turkey
- CRISTINA CANTIANI- Italy
- VALERIA CESONI- Italy

Università per gli studi di Macerata

Master Relations with Eastern Countries 2011

PUNTO ITALIANO

Summary

Università per gli studi di Macerata

Master Relations with Eastern Countries 2011

EXECUTIVE SUMMARY

We are thinking to do our business between Italy and Turkey. Because of this we would like to give some information about Turkey and Turkish population which will be our target.

- Turkey is the country with youngest population in compare to whole "Europe". According to the Turkish Statistical Institute, Turkey's population is 73.722.988. and half of this population is younger than 29,2 years old.

- Italy is the most attractive country in whole world for Turkish young population. Many reasons we can tell but some of them are:

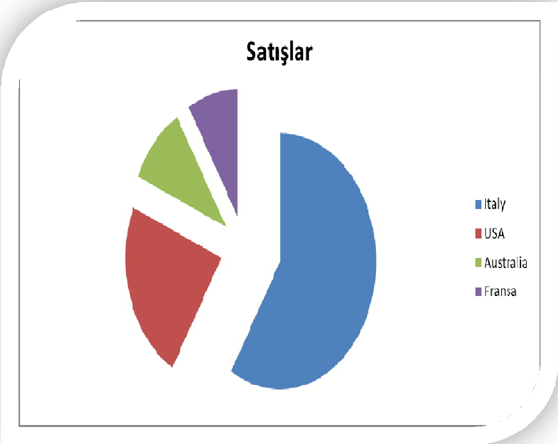
  a- Closest culture of The Mediterranean spirit,

  b- Being common inheritors of Roman Empire,

  c- Italy is the Turkey's strongest supporter in their European Union adventure,

  d- During Turkey's independence war among the Europe's strongest country only Italy didn't war against the Turkey etc.

All these reasons and of course others, make the Italy, the most attractive country on Turkish people eyes. Of course they are not only the reasons to make you decide to make a trade between Italy and Turkey. But for our investment they are so important information. Because as we are going to explain on the forward pages, we are also thinking to make the Turkish people live Italian culture in Turkey.

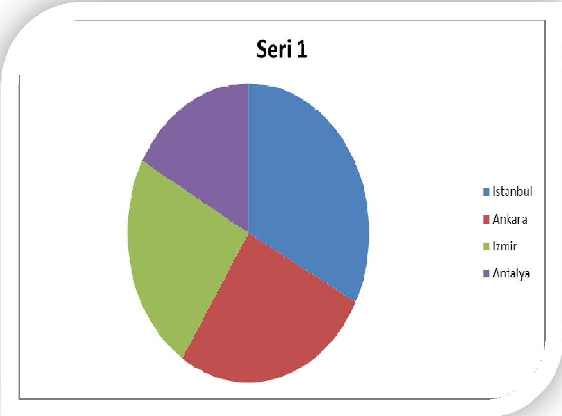


According to the survey which has been done last year, the questions were like this:

- In which country would you like to live for your future?
- Which culture attracts you most?
- Which countries people do you feel the closest to you?

This survey shows us that Italy is strongly popular among the Turkish young population. First of all they are thinking to live in Italy and also in same survey they want to live Italian culture. Our investment's key is coming from this situation.

In Turkey in big cities young population are spending their time in "cafeteria". Especially in Istanbul, Ankara, Izmir and Antalya have the most number of cafeterias in Turkey.



From above table we can conclude that, in Istanbul cafeteria's number is around 8.000, and in Ankara which is known as "student's city" there is around 3000 cafeterias. In the other two biggest cities Izmir and Antalya there is almost 2000 cafeterias.

As we are going to tell on further pages, pizza is the third choice for Turkish young population after the McDonalds and Burger King.

According to Turkish eating tradition, Turkish people are spending lot time for eating. This is also one of the most important thing for saving time. In 1 hour lunch break Turkish people can never go out and eat something easy. This is another point for us to use as target. Because we are thinking to change this habit of Turkish people which they are always complaining about.

As we told before our project as named "PuntoItaliano" Turkish people will be able to live Italian culture in Turkey. They will not just eat pizza also they will get their real Italian style pizza in a short time and while they are sitting they will be listening Italian music. At the same time they can find Italian books. As it seems we are going to think also presenting Italian culture.

The most important thing is the concept of "PuntoItaliano" must be real Italian style. With photos, musics, cafe's shape and even workers etc.

Besides real Italian Pizza, we are going to offer them again something real Italian style which named as “aperitivo”. In Turkey there is no anything as “aperitivo”. For this reason in Turkey they still didn’t try Italian “aperitivo” style yet. So this will be another important point with both ways. First we will sell another small “product” and earn from it, second it relates real Italian style and for Turkish youth it will be new!

As we plan it will not be only pizzeria. “PuntoItaliano” will be a point to live as Italy in Turkey.

We are targeting young population of Turkey with this innovative concept.

Unimaginable Italy without wine! So we are thinking to sell real Italian wines which is really so famous in Turkey. Because while they are trying pizza and “aperitivo” they will be able to taste also Italian wines and this will be chance to sell some Italian precious wines.

In Turkey for now wine market is 4 billion dollar per year. Only last two years 888 different wine brand get the permission and also in Turkey 672 different alcohol brand is being sold at this time. But still alcohol market’s biggest part belongs to bear.

For last year market size of bear was 885 million litre,

Turkish Raki was 70 million litre,

Vodka was 7 million litre,

Wine was 5 million litre.

With this statistic we can see that demand for wine is not that strong but still wine has really big market and Italian wine will be more attractive. Also advantages of this wine will be not only targeting young population but also medium-economic level people in Turkey.

"PuntoItaliano" will be real Italian point. Turkish people will be able to eat real Italian pizza, they will be able to try aperitivo which is new and again Italian, third they will able to buy Italian wines.

For the beginning 5 PuntoItaliano locations are being thought. 2 or 3 in Istanbul, 1 in Ankara and 1 in Izmir. These are the main cities in Turkey. They have the biggest universities and include the highest percent of young population. And besides they are the most modern cities so PuntoItaliano and our products will be acceptable easily.

Locations of PuntoItaliano

In Istanbul we are thinking to open our "PuntoItaliano" on the most famous street of Turkey. "IstiklalCaddesi" is also one of the most popular street in whole Europe. On weekends in one day 5 million people just pass from this street. Also during the week around 3 million people passes on IstiklalCaddesi.

As  we say before 57% of Turkish people are under the 29 age. So during the week almost 1.7 million and during weekend around 2.9 million “young” people will pass on that street.

Just even the 10% of this percentage will be 170.000 in one day during the week and 290.000 people on weekend.

So one location of “PuntoItaliano” will be on “IstiklalCaddesi”. And the other 2 will be on again on the other most crowded places in Istanbul

Istiklalstreet

And in Ankara around – in city centre- 3 million is living so according to statistics around 1.9 million young people are living in Ankara. In Ankara we are going to do it on the most popular square. It is name is "Kızılay". In this "student city" around 500.000 young people are passing from this square. So we are thinking to target them.

Also in Izmir there is 4 million people are living. If we use Turkey Statistic Institute's statics, we will find there is 2.8 million young people are living in Izmir. And Izmir is the one of the most known city for Italians. For Izmir's people Italy is so important because of Roman history. With these reason Italian style will be successful in Izmir also.

Turkey will be in a closer future an important player in the world economy.

It was able to avoid the big problems that afflicted other nations during the global crisis.

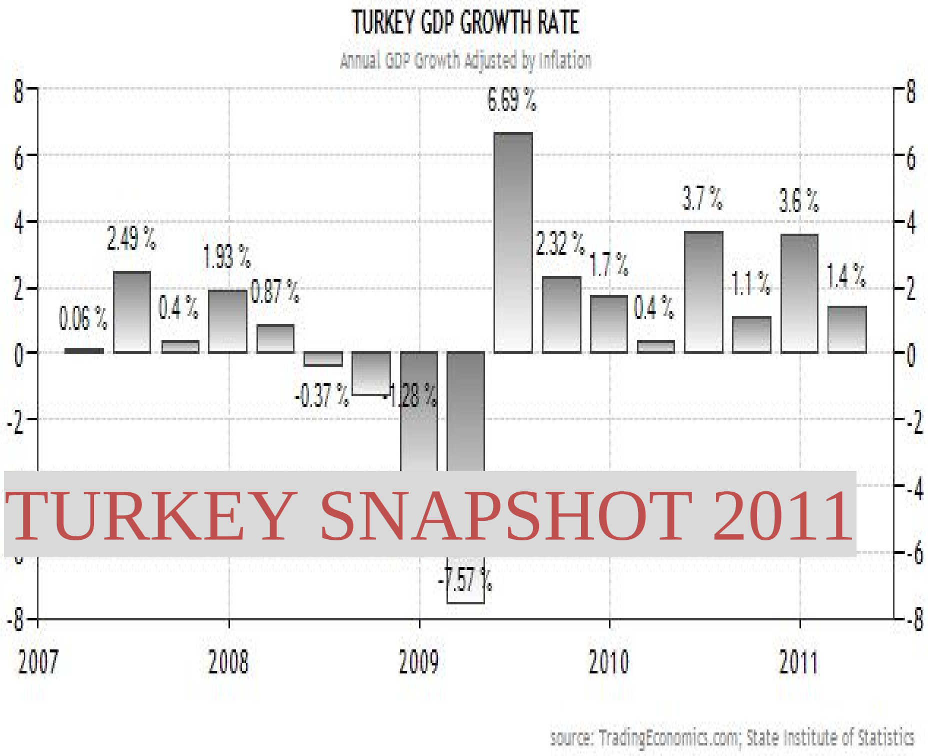
Many investors start to consider this country a new potential market where find new demand/resources.

TURKEY SNAPSHOT

2011

<u>Reasons why Turkey is becoming successful in the global market:</u>

- Turkey managed to position the Turkish Lira as a strong rival against the US dollar and Euro
- To fight against the social problems, recently many social security and healthcare reforms has been done
- The government has adopted measures to support the SME system



TURKEY SNAPSHOT 2011

REASON TO INVEST IN TURKEY

Looking at the datas below showed, we can easily identify the reasons about our choice of start up a new business in Turkey.

There are several positive point that can make us sure this country is a good place to invest and to have economic stability.

First of all the SUCCESSFUL ECONOMY that leads Turkey among the most attractive new market in the world.

Then the fact that is an ENERGY CORRIDOR for Europe with its STRATEGIC GEOGRAPHICAL POSITION. It is a bridge between East and West, so it is really important for trade.

YOUNG POPULATION is it also important for the economic development of a country and Turkey is a young nation.

The others positive facts are the GOOD INFRASTRUCTURE SYSTEM, LAW TAXES AND INCENTIVES for foreigner's investors and the QUALIFIED LABOUR FORCE.

Last reason is about the CUSTOM UNIONS made since 1996 with European Union, that without doubt strengthened the relation with Europe.

OBJECTIVES

Target Consumer

Puntoitaliano represent a new business idea in Turkey market. Our main objective to achieve major part youth population in turkey. As we are offering them most preferable choices of food and beverages.

Following are some of them important points such as to develop business in major cities, attract young population of turkey, creating unique place for hanging out, create alternatives to traditional café, bringing Italian culture and traditional taste to turkey.

With PuntoItaliano we want to reach important objectives:

- **To develop a new business model in Turkey market, consisting in a chain of directly owned stores opened in the major cities of the country.**

With PuntoItaliano our venture's business will be a concrete reality in the most important and touristic places of Turkey. Our company prefer to open new shops directly managed because in this case the management and staff can monitoring easier the business development. Moreover, our aim is to think about alternatives solutions of distribution of the products when our Puntoitaliano will be a successful trend in the market (for example we might consider to develop a network of franchising of our services).

- **Creating a unique place to having an original pizza and other baked Italian specialities. In addition in these places Italian beverages, especially wine, we will be served during aperitivo time**

Our concept is to propose a new alternative to the traditional eating style of Turkish, serving the most known and tastable Italian food in the world: pizza. The goal is to lead Turkish people and tourists, especially among the youngest, to have the food habit of eating pizza as a principals meals. Also our new product sold will be aperitivo. It is a new way of eating and socialization in this country and considering that Arabic people are consuming now more alcohol even if they are Muslims, our venture want to press on this new habit and stimulating alternative way of approaching to Italian wine.

- **Be the new stylish and trendy places for young people, an alternative to the traditional cafè. Infact we want to satisfy this target needs, shaping an innovative meeting point.**

Our company want to focus on young people mainly because they are the ones that might use more our services. We foresee that this target will be our customers. Turkish young range of people are the most interested in experience this “product”, especially because it represents the Italian culture. They need a special meeting point where they can find innovative situations. In Puntoitaliano customers can chat, eat, drink and dream… Dream about Italy with an immersion in an Italian environment!

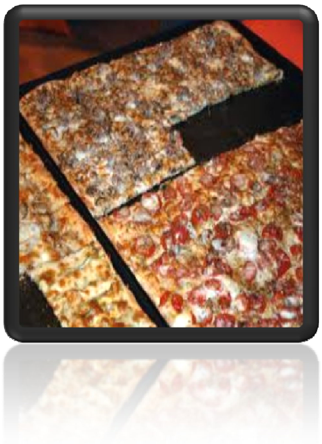
- **Be the vital point and Italian hearts of the city. With the using of Italian music, books and music in the shops we can reach the aim to be a referee for everyone that in Turkey want to taste and have contact with the Italian culture.**

We want that Turkish know that exist a great place in theirs cities, a nice space where whenever you want to have a contact with Italy you can. Turkish has to be conscious of this after the start up of our business PuntoItaliano. We want to let people virtually “travelling” into Italy using different senses (first the taste, but also the hear and sight) and enjoying this experience.

- **Be also a drink shop. PuntoItaliano is going to sell some selected medium-high quality traditional Italian products, originally imported with the collaboration of an intermediary.**

Our business is not only food but also wine. Infact we are sure that customers after aperitivo, they will be interested in consuming wine at home and have the same product of the pizzeria. We absolutely know that wine is a product alcohol not so much used according to Muslim religion, by the way the datas are saying that nowadays many young people are consuming more alcohol than before and they want to drink wine or other alcoholics at home.

BUSINESS IDEA



What does "Puntoitaliano" mean?

(Preferable-Unique-Narrative-Trendy-Optimum)

- Preferable- It's a totally Italian place where Turk could eat pizza, have an "aperitivo" and also buy typical Italian wine. A place where people can taste the real Italian culture. İt could be best place for turk to hang around friends and family.as they prefer to enjoy italian culture.
- Unique- The way of eating pizza will be completely different from local Turkısh pizzeria, where people usually sit down to have dinner and spending a lot of time . Our product will create a new fast way of eating pizza, just enter, take a piece and walk away, that-s what in Italy we called PIZZA AL TAGLIO

(a variety of pizza baked ın large rectangular or round trays and generally sold by weight , with price marked per kilo or 100 grams).

- Narrative- in short time.we will serve pizza in short time like here in italy,within 2min.
- Trendy- our puntoItaliano will be modern trendy and attractive for young as well as other people in turkey.
- Optimum- we will be offering best quality pizza and wine for aperitivo. With some italian cultural music and traditional taste.

SWOT ANALYSIS

The analysis of Strengths and Weaknesses of a company in relation to the Opportunities and Threats presented by the environmental and market context. The analysis is normally conducted without specific reference to the potentially different product/market/country combinations in which the company operates (or plans to operate), and
this makes the entire exercise very generic and practically meaningless from a strategic perspective.
Analyzing the Turkish market with the SWOT method, we can conclude following points:

Strengths
Convenience, Customer Service, Effectiveness, Location, Pricing, Quality, Reliability, Reputation, Respect, Responsiveness, Speed, Thoroughness, Variety
Many of these strengths are generally considered intangible in that they are only measurable through the opinion of the customer. Some of these strengths appear obvious, but often as our business entities mature, they can lose sight of some of the fundamental strengths that aided them in their success. Our Entities that recognize, enhance and appreciate our strengths and plan to experience long-term success.

As we know turkey is country with high young and growing population. That is strength of market which will be our key to business.

consumption and production of food and beverage is increasing in Turkey as compared to past years.

The Turkish food industry has important import opportunities due globalization and good relation with European countries. So, it will help to import goods from Italy to turkey with less duties.

Being a developing country, the GDP per capita is expected to increase in coming years which results increase in consumer spending.

Weaknesses

We should take note that the factor considered a strength, is reflected as a weakness due to time or cost. If we considers the restaurant business, many people will generously tip servers who are more attentive, bring extra napkins when needed, correct orders quickly without argument and present an atmosphere of competence. Our PuntoItaliano is that relies on personal service largely links its reputation to the persons interacting with the customer. While a positive service experience will be shared with few people, a negative service experience will be shared with many.

The economically volatile environment affected by the global economic crisis may hinder consumer spending. As a result it could be less profitable for our business.

As we are offering Low level of alcoholic drinks in our pizzeria when compared with the European countries due to Islamic traditions and the high Special Consumption Tax on alcoholic drinks could make our competitors more strong and we could have less market share.

Opportunities

Opportunities can be realized when weaknesses are identified. Punto italiano prepares pizzas when ordered seeking to compete with similar businesses will recognize as an industry weakness the number of checks returned for insufficient funds as the time delay experienced by customers while the cashier validates the check information. One cost effective method of neutralizing our business weakness is to accept credit card, debit card and other similar transfers in lieu of personal checks. Another method may be to achieve or increase the business' presence on the Internet by accepting orders and payment via the Internet. Payment for the product (pizza) is secured prior to the product being provided, thus minimizing liability for the business, while simultaneously attracting business through a previously under used market

An interested young population is open to trying new brands and products. We can use as opportunity to focus on our business and try to convince them to Combine hands on with virtual training.

Growth in the tourism sector also benefits consumption in the food and beverage industry.

Since the market is still not mature as compare to other European countries, there are many opportunities for new products to enter into Turkey food and beverage industry market.

Opportunities in our business also relate to furthering the success of an organization through a meticulously outlined and implemented strategic plan.

Threats

Threats in our industry could be depend upon external environment in country such as unstable regulatory environment in agriculture also affects the food industry which could result into problems in supply of raw material and quality of product.

High energy and raw material costs have a negative effect on the food and beverage manufacturers' performance which will lead to increase prices of raw material and subsequently in final product.

Competition in the beverage industry and mainly in wine industry due to new wine producers globally producing high quality and low priced wines.

As engaging in restaurant business, we have to consider this point and have to overcome with it.

CUSTOMER VALUE PROPOSITION(CVP)

- Customer value proposition(CVP) needs to be clear, concise and compelling**.**
- It need to have a thorough knowledge of their potential/current customer base.
- By identifying customer needs through market research and analysis we can explain as follows:

Customer's problem

Turkish market is a less competitive and less qualitative market. The economy of turkey opens market in 1980.investment in FDI were less until 2000.The GDP is also under the average level.

Old age level of population have high ethnocentricity, they prefer to traditional home-town food. Basically it is hard for them to accept some foreign things.

Turkish people usually waste so many time in ordering and eating food outside, but they also need to work,so they do not have much time. So, this will be great option for them.

- **Customer's want**
  - Fast & health food
  - A place they can stay for chatting
  - Low & medium price
  - Good quality and Taste
- **Meet customer's satisfaction**
  - Good quality food and Taste
  - Fast service
  - Modern decor
  - Friendliness

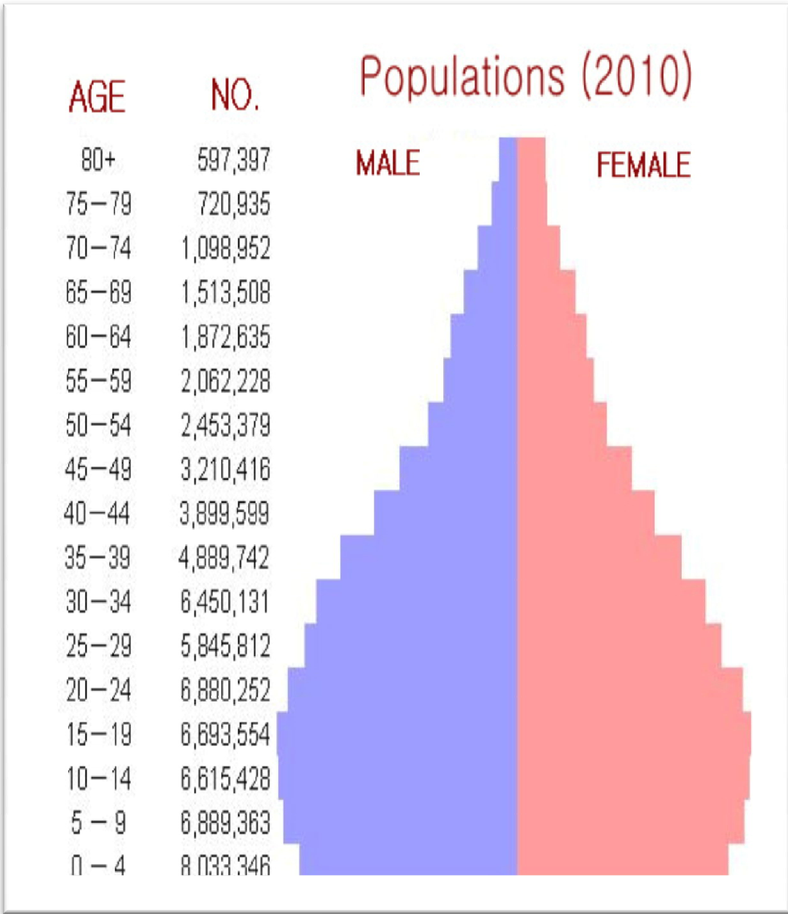
Why Pizzeria

People like the fast food, but they also consider about the health. Some people like fashionable things, not only to wear, but also in eating, especially foreign food.

Some people are not rich, maybe of the low income level, have big family size, they consider the cost much more than the taste or something else.
People prefer to the hands made or home made.
Fashion-conscious people admire the West and prefer western products as being modern and fashionable.
what people consider is not only for the product, but for its western and fashionable feature.
This young affluent group is mainly composed of females.
Attracting children will attract their mothers, even grandmothers.

Result of survey (Purchasing intention)

Domestic food (Döner)	**Foreign food (McDonald's)**
health-conscious, craftsmanlike and cost-conscious	**fashion-conscious**
older	**Young and middle age**
Low income level(poor)	**Middle & High income level**
male	**female**
higher ethnocentricity	**Lower ethnocentricity**



Some facts about Turkey

Population of Turkey :62.7 Million

Number of households : 13.3 Million

Number of PC s : 1.4 Million

Number of cellular phone holders : 8 Million

Yearly income per capita : $3,500

Internet & Turkey

Current Internet

Users :2.000.000

Estimated Internet Subscribers in 2010 : 7.250.000

Estimated PC number in 2010 :12.000.000

Population in Turkey

Estimated Internet Users in 2010 :20.000.000

Today, 70% of this population lives in cities and 30% in rural areas.

Urbanisation

According to 2010 estimate metropolitan areas in Turkey with the largest populations are

İstanbul (13.1 million),

Ankara (4.4 million),

İzmir (3.4 million),

Bursa (1.9 million),

Adana (1.6 million),

Gaziantep (1.3 million),

Konya (1.0 million) and

Antalya(1.0 million).

An estimated 70.5% of the population live in urban centers. In all, 18 provinces have populations that exceed 1 million inhabitants, and 21 provinces have populations between 1 million and 500,000 inhabitants. Only two provinces have populations less than 100,000.

OVER VIEW OF FOOD AND BEVERAGE CONSUMPTION

Turkey is an attractive market for potential investors: it was ranked 5th in a rating analysis by Business Monitor International (BMI).

-Long termDomesticDemand :

While the long-term domestic demand credentials of the BRIC economies are often heralded, Turkey also has a lot going for it and may well be discussed similarly in the years to come. It has a number of factors in its favor, including a dynamic and youthful population in excess of 75mn, a strong economic outlook, and a business environment and private sector mentality that is improving all the time and at some pace too.

Turkey ranks in **5th** place according to the CEE Business Environment Ratings prepared by BMI. The analysis emphasizes the food and beverage industry's attractiveness to investors by taking into consideration the market size, current consumption levels, future potential growth and the legislative and political.

Country	Food & Drink Market	Country structure	Limits	Market Risks	Country Risks	Risks
Russia	85	65	75	45	58	52
Hungary	67	54	60	75	63	68
Poland	59	60	59	70	66	67
Czech Republic	61	52	56	75	68	69
Turkey	58	59	58	75	55	62
Slovakia	55	53	54	70	60	64
Slovenia	51	50	50	70	70	70

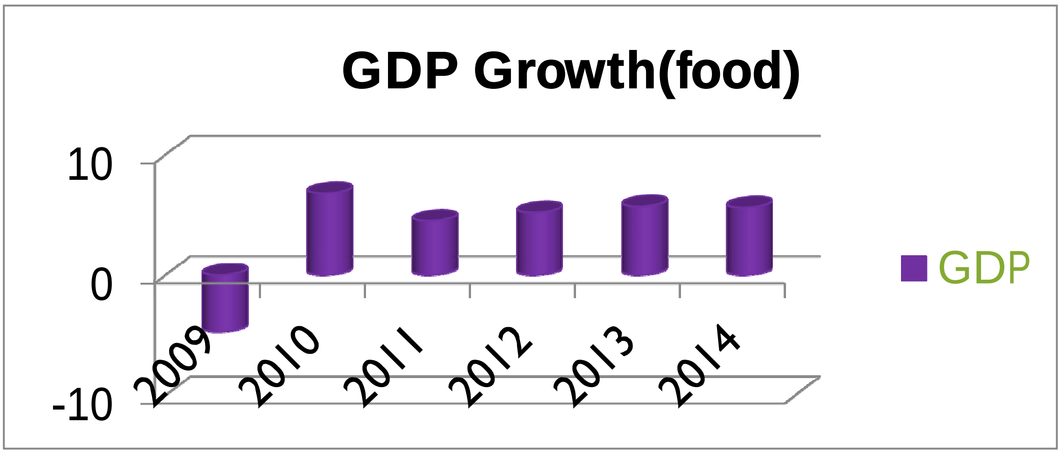
Especially in terms of the Country Structure indicator, Turkey has a high score mainly due its large population, nearly **73 million**, lack of market maturity or saturation, and favorable long-term economic structure and GDP per capita.

As a major agricultural producer with an increasingly positive food and beverage tradebalance, Turkey offers easy access to raw materials.

However, food consumption growth has been dampened by the recent recession i.e., real GDP growth of -4.7 percent in 2009.

According to the OECD forecasts, it is expected that the real GDP growth of Turkey will recover to 6.8 percent in 2010 and become 4.5 percent in 2011.14 The growth forecasts of the BMI for 2012, 2013 and 2014 are 5.2%, 5.7% and 5.6% respectively.

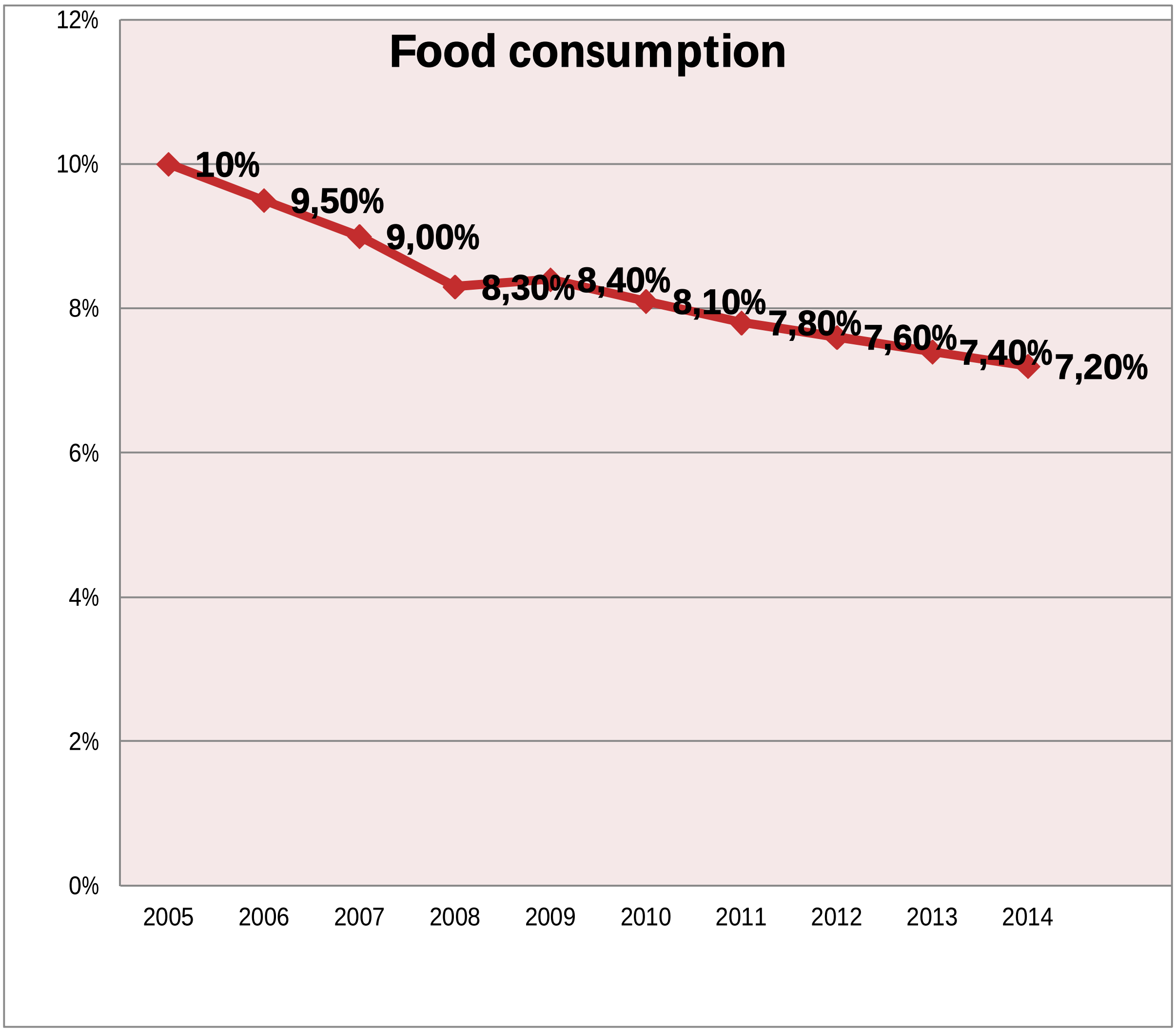
The proportion of Turkish household expenditure allocated to food, beverages and tobacco, which was around 26 percent and rose to about 27-27.5 percent in 2009-10, remains high compared with Western standards, which range between 15-20 percent. The total consumer spending on food, beverages and tobacco, which is estimated at around USD 130 billion in 2008, was around USD 120 billion in 2007.



According to the OECD forecasts, it is expected that the real GDP growth of Turkey will recover to 6.8 percent in 2010 and become 4.5 percent in 2011.14 The growth forecasts of the BMI for 2012, 2013 and 2014 are 5.2%, 5.7% and 5.6% respectively.

The share of baked goods is significant in the diets of the Turkish population. Hence, the bakery subsector forms the majority (65 percent) of the total food and beverage companies by number in Turkey.

Source: Turkish Statistical Institute



As we can observe in the chart below, the food consumption is going down in the years, but still remains a good part of the expenses of everyone.

Turkey has traditional eating habits that remain stable in the majority of the population. However, the Turkish food sector is becoming more elaborated as retailers require higher standards from food manufacturers, and investments accompanied by improvements in the sector take place. Through the widespread presence of modern MGR outlets and rising disposable incomes, consumption patterns have been shifting to packaged and processed foods, such as ready-to-eat meals and frozen foods. Additionally, the increases in the number of females in full-time employment have supported the trend towards packaged, frozen and ready food.

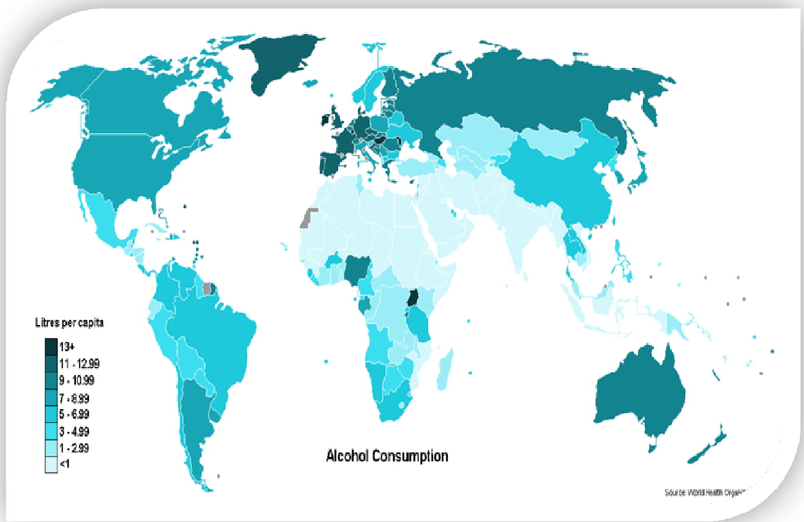
Therefore, considering that Turkey still has the lowest per capita consumption of packaged food in Europe, There is considerable potential in the aforementioned sub-sectors. Globally, Turkey is one of the largest markets for baked goods, since such goods have a significant share in the diets of the Turkish population. With rising incomes, packaged bread consumption presents an increase and at the same time, demand for different bread varieties, such as high-fibreand speciality artisan breads offer an opportunity for this higher profit market compared with traditional baked products.

ALCOHOL AND BEVERAGES CONSUMPTION IN TURKEY

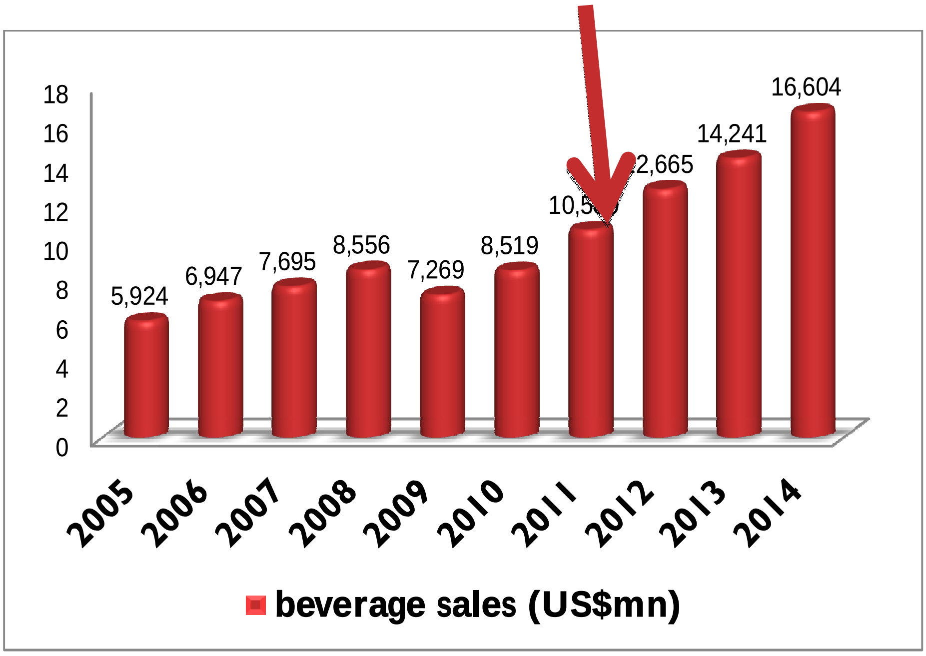
In the general worldwide statistics Turkish are in the last positions as a alcohol's drinkers, but if we compare among the Arabic/Muslims Country we can notice the difference of behavior.

In the previous map (source: World Health Organization) it is in evidence that comparing to the Islamic countries, Turkey has less restrictions about alcohol and a bigger consumptions.

Even if the actual AKP government is trying to tax and limit the alcohol habits, more people are habitual drinkers.



In the above diagram we can observe how the selling of beverages (soft drinks, hot drinks and alcohol drinks) has expected to grew up in the next 3 years.



Source: Turkish statistical institute

ALCOHOL POLICY

Total ban of alcohol	**NO**
National control of production/sale (monopoly)	**NO**
Minimum age to buy alcohol	**18 YEARS**
National maximum legal blood alcohol concentration when driving a vehicle (young/adult/professional)	**0,05%/0,05%/ZERO TOLERANCE**
Legally binding regulations on alcohol advertising	**YES**

Traditional alcoholic beverages

Raki is a very popular traditional alcoholic drink in Turkey, made of raisin or grape spirit, redistilled with aniseed. It is colourless. The word raki is believed to derive from razaki, the variety of grape originally used to make raki. The alcohol content of raki is between 45% and 50%. After the liquor has been diluted, it is left to mature for one to three months in oak casks, before being filtered and bottled.Raki is served cold in narrow cylindrical glasses. It may be mixed with water or may be accompanied by soda water.

Boza is a Turkish traditional beverage made by yeast and lactic acid fermentation of cooked maize, wheat and rice flours.

Beer is the main alcoholicdrink, constituting c.90 percent of total alcoholic drinks production in 2009. Although beer is the main alcoholic drink produced in Turkey, it is wine production that has been increasing fastest among the top four products: by 22 percent in 2009, and a continued increase of 52 percent in Q1 2010, when compared to Q1 2009. According to the Tobacco and Alcohol Market Regulatory Authority, AnadoluEfes and TürkTuborg are the two beer producers with a production capacity exceeding 1 million litres per annum. AnadoluEfes, the owner of the

Efes brand, constitutes nearly 80 percent of the beer market in Turkey, followed by Tuborg holding the majority of the remaining market share. Turkey's alcoholic beverage exports amounted to 104 million litres in 2009, with beer accounting for a 95 percent share. Imports amounted to 7 million litres in 2009, of which whisky represented 35 percent.

Raki, the Turkish traditional alcoholic drink constitutes 4.4 percentof the total production together with wine. In addition to the large wine producers, there are almost 300 small-sized producers located in Central Anatolia, Marmara Thrace and the Aegean region. Total capacity of the wine sector is approximately 120 million litres per year.

MARKET OPPORTUNITIES

Turkey is the country with highest percentage(%) of young population in Europe: young are open to try new products so we believe that our "Puntoitaliano" will be attractive and successfull.

"Puntoitaliano" will become the new place of meeting among Turkish young.

Our possible clients will be two different groups: one consisting in young people, our products won't be expensive, each young can afford a piece of pizza or an "aperitivo".

The other one consists in every person who wants to buy typical Italian wine to consume at home with their families.

Italian staff has experience in baking pizza or preparing "aperitivo", we believe that products will be of high quality.

Market Analysis Summary

Our primary target market is people who desire a comfortable, modern environment for pizza. Our secondary target market also desires a delivery service for pizza, or a take-out approach. There is overlap of these segments.

According to a Growth Plan turkey conducted in 2009, population within turkey is expected to increase. From the same plan, population is listed as being evenly distributed by age groupings, with approximately 33% of the population being minors. Another 40% are less than 54 years of age.

so we are providing a new convenience for people to select and pick up a pizza.

With the expected continued growth in the area, estimated at 7% annually, We will sell predominantly to individuals.

Market Analysis							
		Year 1	Year 2	Year 3	Year 4	Year 5	
Potential Customers	**Growth**						**CAGR**
Dine-In or Take-Out	**7%**	**13,860**	**14,830**	**15,868**	**16,979**	**18,168**	**7.00%**
Delivery	**7%**	**5,000**	**5,350**	**5,725**	**6,126**	**6,555**	**7.00%**
Total	**7.00%**	**18,860**	**20,180**	**21,593**	**23,105**	**24,723**	**7.00%**

Sales Forecast

Our sales forecast assumes a modest change in annual costs to accommodate new entry into the market.

We are expecting to increase sales modestly but steadily over the next year, which is a respectable growth rate. The growth forecast is assumed given this is a new product for the area using new channels of availability. We are not projecting significant change in the product line, or in the proportion between different lines.

Based on industry averages and the absence of competition for pizza in Turkey, we are predicting an average of 25 pizzas sold each week night (Sunday - Wednesday). On the weekends (Thursday - Saturday), we are estimating 40 pizzas are sold each day. Of those pizzas ordered, we are expecting approximately 1/3 to be dine-in customers. Those customers dining in will most likely order drinks like wine and/or beer (on average 2 for each family). Additionally, we are estimating that approximately one-third of the pizza orders will be accompanied by an order for Italian wine. Our estimated average prices for each item are as follows:

- Pizza: $12
- Recipe books: $2.50
- Italian wine: $5.50:

Sales Forecast			
	Year 1	Year 2	Year 3
Sales			
pizza	$133,900	$143,808	$153,875
receipe books	$18,667	$19,973	$21,371
wines	$50,773	$54,327	$58,130
Total Sales	$203,340	$218,108	$233,376
Direct Cost of Sales	Year 1	Year 2	Year 3
Pizza	$42,848	$44,990	$47,240
receipe books	$3,733	$3,920	$4,116
wines	$2,539	$2,666	$2,799
Subtotal Direct Cost of Sales	$49,120	$51,576	$54,155

ANALYSIS OF COMPETITORS

Turkey is an attractive market for potential investors: it was ranked 5th in a rating analysis by Business Monitor International (BMI) thanks to its large size of population (nearly 73 million), lack of market maturity or saturation, its favorable long-term economic structure and GDP per capita.

The food and beverage sector, which is largely dependent on the agricultural sector in Turkey, has an important share in the country's production i.e. a share ranging between 18-20 percent.

Market entry barriers for new businesses are quite low, thanks to an open and increasingly liberal trade and investment climate. According to the data issued by the Industry Database of Union of Chambers and Commodity Exchanges of Turkey (TOBB), the number of active companies in the food and beverage industry decreased from 23,276 in 2007 to 22,092 by the end of 2008.

The share of baked goods is significant in the diets of the Turkish population. Hence, the bakery subsector forms the majority (65 percent) of the total food and beverage companies by number in Turkey. This subsector will be our major competitor.

Our direct competitors will be:

- CAFE'
- TAKEAWAY
- SUPERMARKETS AND HYPERMARKETS
- WINE PRODUCER

Our indirect competitors will be:

- PIZZERIA
- RESTAURANTS

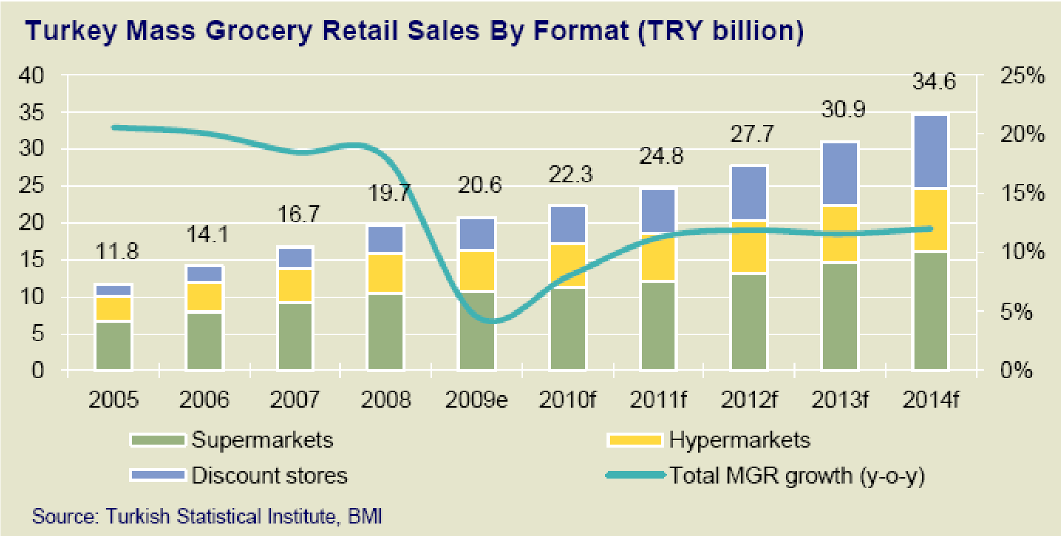
Cafè and takeaway (ice cream parlours, coffee shop, tea shops, kebabs) are our direct competitors because they sell products that are in competition with our pizza or "aperitivo", due to the fact that target may chooses a kebab, an ice cream or a sandwich as "fast way of eating" instead of our products. In addition they offer alcoholic beverages that compete with our Italian wine offered in "aperitivo". The top four alcoholic beverages produced in Turkey are beer, raki, wine and vodka. Beer is the main alcoholic drink, constituting c.90 percent of total alcoholic drinks production. Although beer is the main alcoholic drink produced in Turkey, it is wine production that has been increasing fastest among the top four products.

Supermarkets and hypermarkets also are our direct competitors because they offer a wider range of high quality wine at low cost. Supermarkets currently dominates nearly 40 percent of the sector. They represent a threat for us, as well as wine producers. In addition to the large wine producers, there are almost 300 small-sized producers located in Central Anatolia, Marmara Thrace and the Aegean region. Total capacity of the wine sector is approximately 120 million litres per annum.

Our indirect competitors are Pizzerias and restaurants, that represent a different way of eating, but they may enter in contrast with our product because instead of having "aperitivo" people could prefer going directly to the restaurant and having a complete meal.

MASS GROCERY RETAIL MARKET

Although Turkish consumers have been shopping primarily from small markets and grocery stores, the market share of those traditional retailers has been steadily eroding, as consumers move towards mass grocery retailers (supermarkets and hypermarkets) offering a wider range of products and higher quality goods

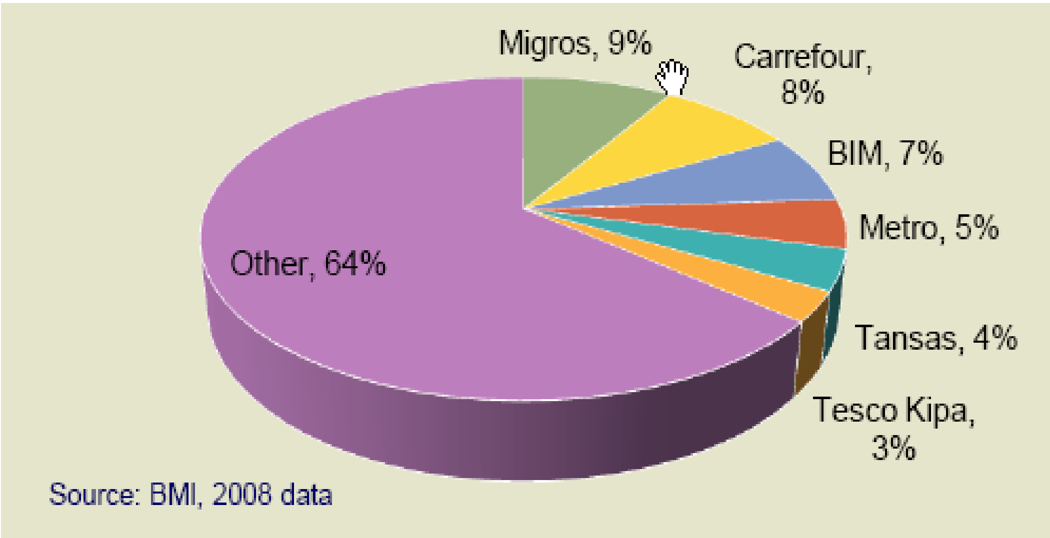


Thanks to increased urbanization, rising disposable incomes and the higher number of women in the workforce, the retail sector has been slowly shifting towards these more Western-style operations, particularly in the larger cities. Despite this trend, the small, traditional retailers still account at present for the majority of food retail sales in the country at around 60 percent.

Supermarkets started to operate in the early 1990s in the Turkish food and beverage industry and gained a 26 percent market share in the sector by year 2000. Performing an impressive growth, supermarkets currently dominates nearly 40 percent of the sector. Modern retail stores are more profitable than their traditional competitors with higher number of stores bringing bulk buying power.

MGR Market Players

The Turkish mass grocery retail market is highly competitive. Migros currently has the largest share with 9 percent of the market, followed by Carrefour with 8 percent and BIM with 7 percent. Other international names include Metro and Tesco Kipa. 26



MGR retail sales are largely formed by supermarkets whose sales reached TRY 10.7 billion in 2009, while hypermarket sales accounted for an estimated TRY 5.6 billion. Between 2005 and 2008, supermarkets, hypermarkets and discount stores achieved CAGRs of 16 percent, 19 percent and 30 percent, respectively.

		$USDmm			
Company Name	Company Type	Total Enterprise Value (*)	Market Capitalization (*)	Total Revenue [LTM]	Net Income [LTM]
BIM Birlesik Magazalar A.S.	Public Company	3,324.0	3,432.5	3,184.5	117.0
Migros Ticaret A.S.	Public Company	2,375.0	2,374.8	4,219.4	131.3

LTM: Last Twelve Months
Source: Capital IQ ; (*) Latest data as of March 10, 2010

OVERVIEW OF DOMASTIC MAIN PLAYERS IN TURKEY

Domestic chains constitute 74 percent of the Turkish franchising sector, which has a total volume of $35 billion. Some foreign brands and chains that cannot fight the competition have begun to withdraw from the market, according to 2010 data provided by the Turkish Franchising Association, or UFRAD.

Some foreign brands, such as South African restaurant chain Nando's, global ice-cream chain Baskin-Robbins, the Hard Rock Café and sandwich shop Quiznos, all of which entered the Turkish market with great expectations, have now withdrawn or are withdrawing from the market one by one.
Meanwhile, domestic brands such as Simit Sarayı, Bay Döner, Pizza Pizza, Bonny Food and Kahve Dünyası are registering strong growth trends.

Among these brands ASLI BÖREK has achieved great success and has many shops in many districts of Istanbul and some othe rmajor cities. Su böreği (lit. "water börek") is one of the most common types of Turkish pastry. Layers of dough are boiled briefly in large pans, then a mixture of feta cheese, parsley and oil is scattered between the layers. The whole thing is brushed with butter and laid in a masonry oven to cook.

Main players in the Turkish food and beverage sector are presented below.

Simit Sarayı, Kahve Dünyası, Bay Döner, Çıtır Usta and Pizza Pizza are the leading domestic restaurant chains in the sector, which is growing with each passing day. Competing against international coffeehouse chain Starbucks, Kahve Dünyası, a domestic brand founded in 2004, currently operates at a total of 64 locations. The company plans to open 15 more shops at subway stations in Istanbul in the upcoming period.

The number of branches of Starbucks in Turkey is 138.

İzmir-based Pizza Pizza, founded in 1995, offers service at 142 locations across Turkey. International pizza delivery corporation Domino's Pizza, which entered the Turkish market in 1996, reached a total of 161 restaurants last year. The U.S.-based company aims to increase this figure to 211 this year. Operating with 25 branches, Çıtır Usta aims to open 40 more branches in 2011.

Nando's chicken restaurants, Hard Rock Cafe, Baskin Robbins, Wendy's, Quiznos and 7-Eleven are some of the foreign brands that failed in the Turkish market and decided to withdraw.

In addition to these restaurant chains, other foreign brands from various sectors that have decided to withdraw, including Best Buy, Jani King, Printemps, Mr. Bricolage and Style on Video.

SOURCE: HURRIYET DAILY NEWS

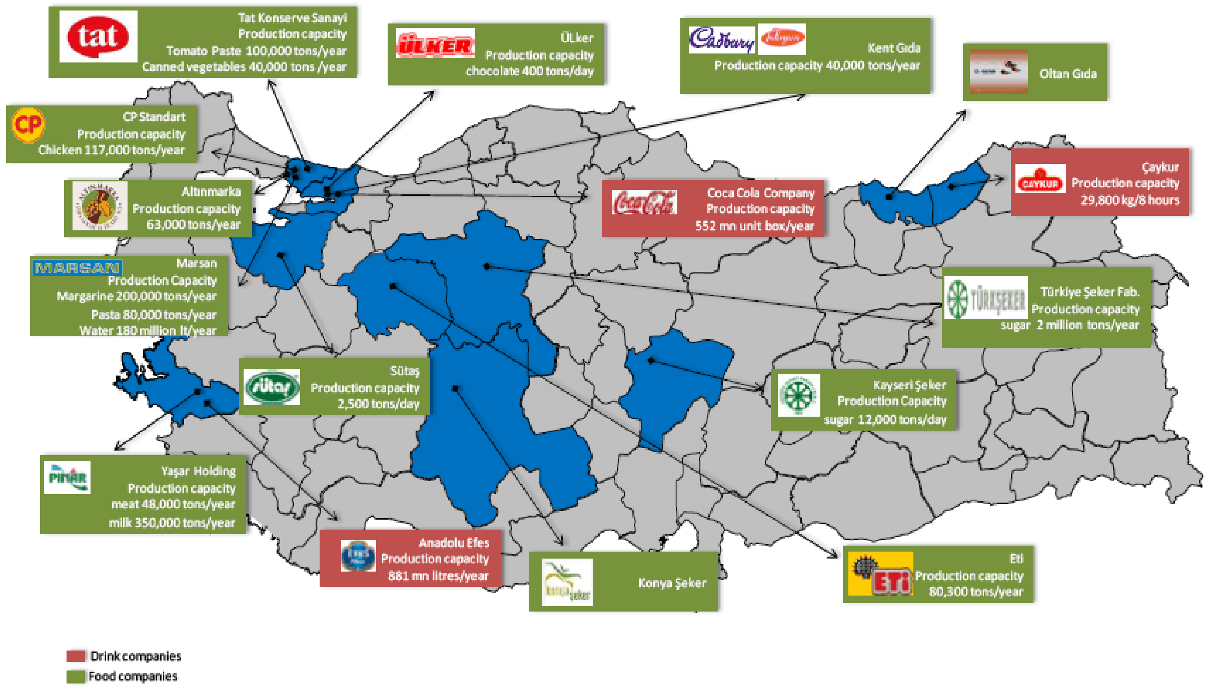
Key Players in Turkey's Food and Beverage Sector, 2009

ISO 500 - 2009 Ranking	Company Name	Sector	Location	Production Based Sales in 2009 (TRY million)
15	Türkiye Şeker Fabrikaları A.Ş.	Sugar and molasses production	Ankara	2,007
25	Coca-Cola İçecek A.Ş.	Beverages	İstanbul	1,308
31	Ak Gıda Sanayi ve Ticaret A.Ş.	Food production and distribution	İstanbul	974
32	Çay İşletmeleri Genel Müdürlüğü	Tea production	Rize	950
34	Anadolu Efes Biracılık ve Malt Sanayii A.Ş.	Beer and beverages	İstanbul	921
36	Konya Şeker Sanayi ve Ticaret A.Ş.	Sugar production	Konya	880
50	Ülker Çikolata Sanayi A.Ş.	Chocolate production	İstanbul	723
58	Kayseri Şeker Fabrikası A.Ş.	Sugar production	Kayseri	681
60	Oltan Gıda Mad. İhr. İth. ve Tic. Ltd. Şti.	Hazelnut production	Trabzon	652
62	C.P. Standart Gıda Sanayi ve Ticaret A.Ş.	Chicken, egg and shrimp production	İstanbul	629
66	SÜTAŞ Süt Ürünleri A.Ş.	Milk and milk products production	Bursa	621
69	Tat Konserve Sanayi A.Ş.	Tomato paste, ketchup, canned food and vegetables production	İstanbul	617
86	Eti Gıda Sanayi ve Ticaret A.Ş.	Biscuit and chocolate production	Eskişehir	514
94	Altınmarka Gıda Sanayi ve Ticaret A.Ş.	Prepackaged food production	İstanbul	491
104	Ülker Bisküvi Sanayi A.Ş.	Biscuit production	İstanbul	467
105	Pınar Süt Mamülleri Sanayi A.Ş.	Milk and milk products and delicatessen goods production	İzmir	465
117	Kent Gıda Maddeleri Sanayi ve Ticaret A.Ş.	Candy production	Kocaeli	427
120	Marsan Gıda San. ve Tic A.Ş.	Margarine, pasta and beverages production	Adana	421
149	Önem Gıda San. ve Tic. A.Ş.	Food and beverages	İstanbul	329
157	Biskot Bisküvi Gıda San. ve Tic. A.Ş.	Biscuit Production	Karaman	314

Source: Istanbul Chamber of Industry

2.5 Positioning Map

The map below shows the production facilities of key players in the Turkish food & drink sector.



INVESTMENT OPPORTUNITIES

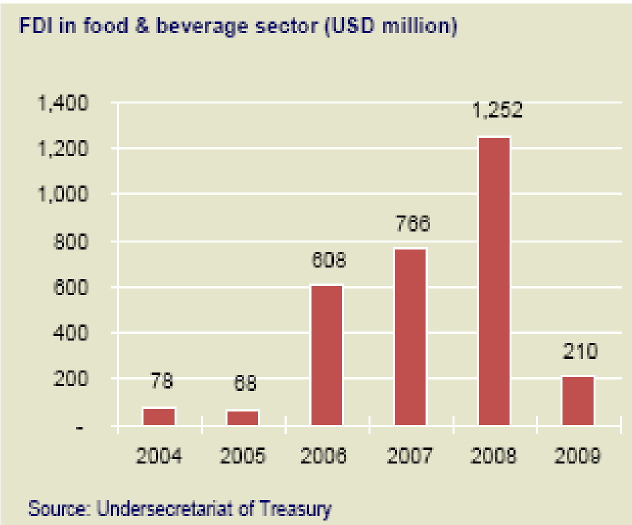
The number of foreign companies operating in Turkey’s food and beverage sector increased from 376 in 2008 to 421 in 2009. Foreign direct investment reached a peak of USD 1.2 billion in 2008. Due to the effects of the global financial crisis, FDI in the manufacturing sector registered a shrinkage of 58 percent in 2009 and of 83 percent in the food and beverage sector.

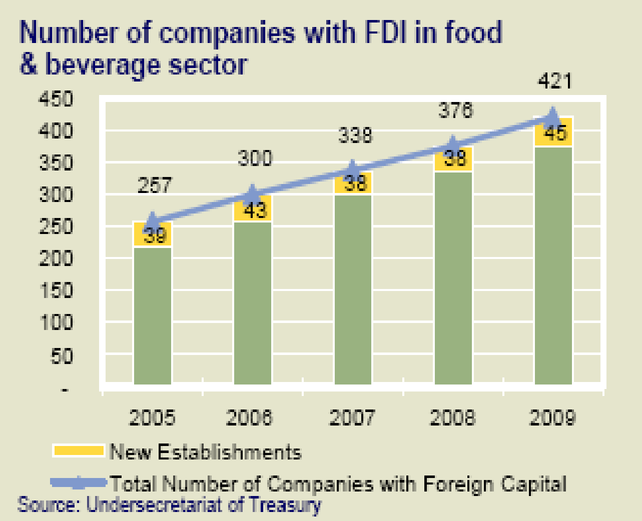
According to UFRAD data, the number of chain restaurants in Turkey has reached nearly 1,876. Foreign companies constitute 24 percent of that total.

In 1995, the total opposite was true: The share of foreign brands in chain companies operating in Turkey was 75 percent in 1995, while domestic companies constituted 25 percent. In 1998, foreign and domestic companies each held 50 percent of the market.

PUNTO ITALIANO

The Turkish economy has grown steadily over the last 27 quarters with an average rate of 7%. This growth is expected to continue in coming years with a lower rate due to the global financial crisis. After the 2001 financial crisis, Turkey made important structural reforms which have led to improve her financial system. Therefore, Turkey is relatively less affected by the global crisis. Although nowadays Turkey has to deal with debts which mostly belong to private companies, effects of the global financial crisis to Turkey are not going to be an internal one on the most part, but it is going be an external one as less demand for exports. Also previous crisis experience of Turkish businessmen and economy officials make Turkey more resilient to the global financial crisis today. Being the commercial center of southeastern Europe, Middle East and Eurasia, Turkey is becoming an increasingly important economic and diplomatic country in the region. Between 2001 and 2007, Turkey's GDP have increased by 242% totaling to USD 656.6 billion and she became the 15th largest economy in the world.





Turkey is one of the most dynamic and attractive markets for Italian companies. Already sizeable, the Turkish economy will be the second fastest growing economy in the world by 2018 and will out-strip those of Italy and Spain in the next decade. Turkey with its large, young and well-educated population (latest estimate 77 million), is already a member of the EU Customs Union and is negotiating for full EU membership.

MILESTONES/OPERATION/ TIMETABLES

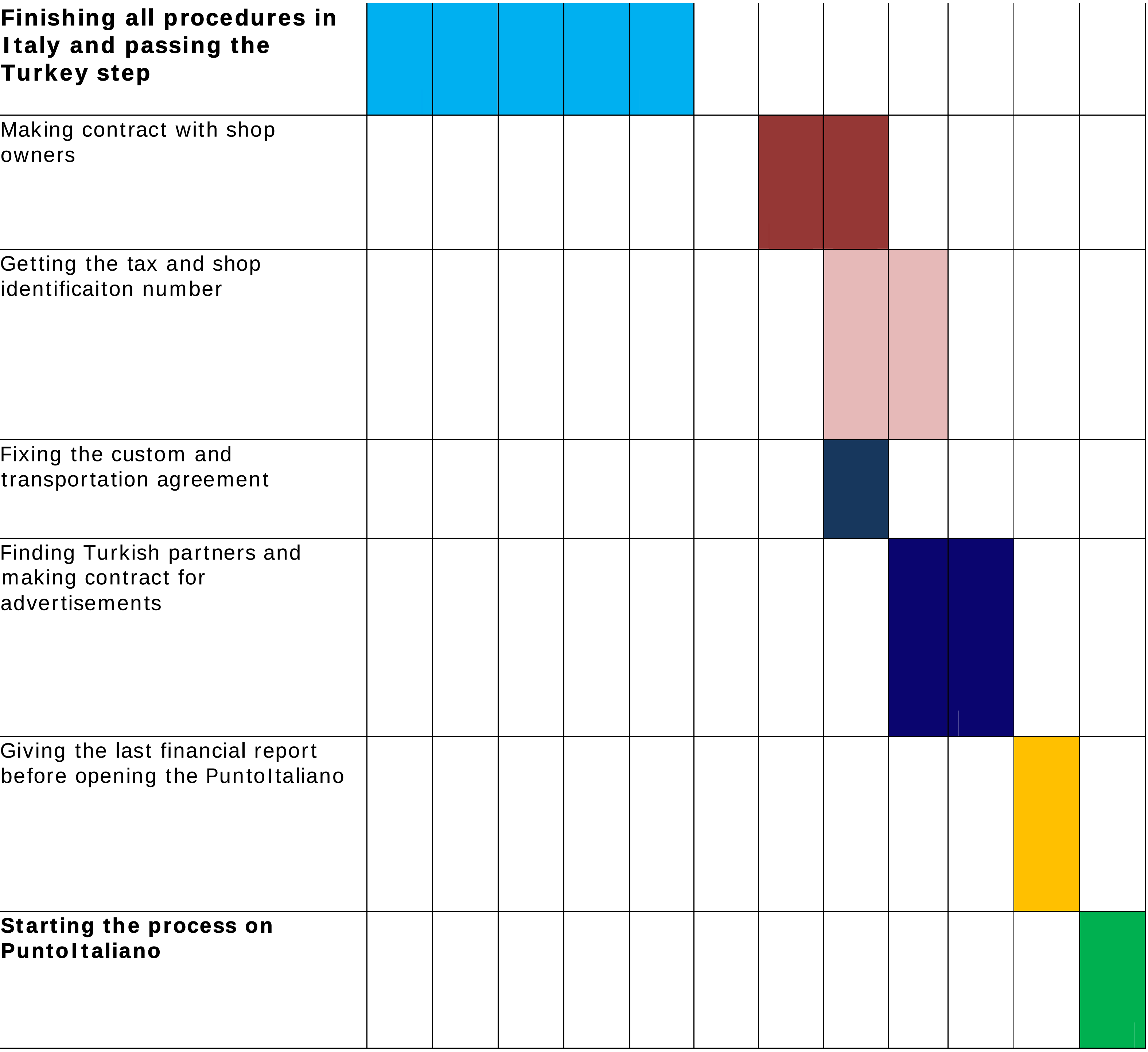
The following table lists important program milestones, with dates and managers in charge, and budgets for each. The milestone schedule indicates our emphasis on planning for implementation.

Milestone	Start Date	End Date	Budget	Department
Business Plan	1/1/2011	30/ 06/2011	$1.500	Management
Arranging the Meetings	1/1/2011	30/09/2011	$2.000	Management
Target City Selection	1/4/2011	30/12/2011	$3.000	Operations
Permission/Contract Designs	1/09/2011	30/12/2011	$5,000	Technical
Finishing Procedures from Italy and passing to Turkey	1/1/2011	30/03/2012	$20.000	Management
Equipment Installation	1/1/2011	30/12/2012	$200,000	Operations
Grand Opening	1/09/2013	30/12/2013	$30.000	Marketing
Totals			$261,500	

PUNTO ITALIANO

TIMETABLE OF ACTIVITIES

	Year 1				Year 2				Year 3			
Activity	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Making research about Turkey's and Italia's trade relations												
Arranging meeting with wine producers etc.												
Going Turkey and observing about target cities.												
Preparing financial worksheet												
Meeting with banks for "Credit"												
Signing contract with produceers												
Getting the trade permissions from Italian and Turkish trade ministries												
Deciding for cities and locations on chosen cities												
Finding and making contract with Italian workers												


Finishing all procedures in Italy and passing the Turkey step
Making contract with shop owners
Getting the tax and shop identificaiton number
Fixing the custom and transportation agreement
Finding Turkish partners and making contract for advertisements
Giving the last financial report before opening the PuntoItaliano
Starting the process on PuntoItaliano

PUNTO ITALIANO

WEB PLAN SUMMARY

The “PUNTO ITLIANO” website will be the virtual business card and portfolio for the company, as well as its online "home." It will showcase the history, product information, and offers for PuntoItaliano. Special online-only offers will be made available on the website, along with customer's opportunity to sign-up for email news and offers.

The Puntoitaliano website needs to be a simple yet classy and well designed website that, at the same time, is in keeping with the latest trends in user interface design. Customers will be coming to the site for product information, history, and offers.

Future elements of the site can contain online ordering, if customers express an interest in this functionality.

Website Marketing Strategy

Our Internet marketing activities will be focused on product information and offers. Future opportunities exist in offering online ordering

Development Requirements

The PuntoItaliano website will be initially developed with few technical resources. A simple hosting provider, Yahoo! Web services, will host the site and provide the technical back end. The owner's expertise in professional Web development will lead this effort.

The user interface designer will work with a graphic artist to come up with the website logo, and the website graphics.

The maintenance of the site will be done by the owners. If the website rolls out future development such as newsletters and online ordering, the internal staff at Puntoitalianocaffe will design, implement, and execute the technology.

OUR MANAGEMENT

We are forming limited liability company. We are five friends from same university who are interested with this project.

So everybody will be carrying same amount of profit and loss in future of company.

FINANCIAL PLAN

The financial picture is quite encouraging. We will be slow to take on debt and heavily investing our own assets, but with our increase in sales we do expect to apply for a credit line with the bank, to a limit of $50,000. The credit line is supported by assets.

Important Assumptions

The financial plan depends on important assumptions, most of which are shown in the following table. The key underlying assumptions are:

We assume a fairly high-growth economy for pizza in the turkey, given the lack of competition and interest in having a pizzeria available in the different cities in turkey and pent-up demand.

We assume, of course, that there are no unforeseen changes in technology to make our products immediately obsolete.

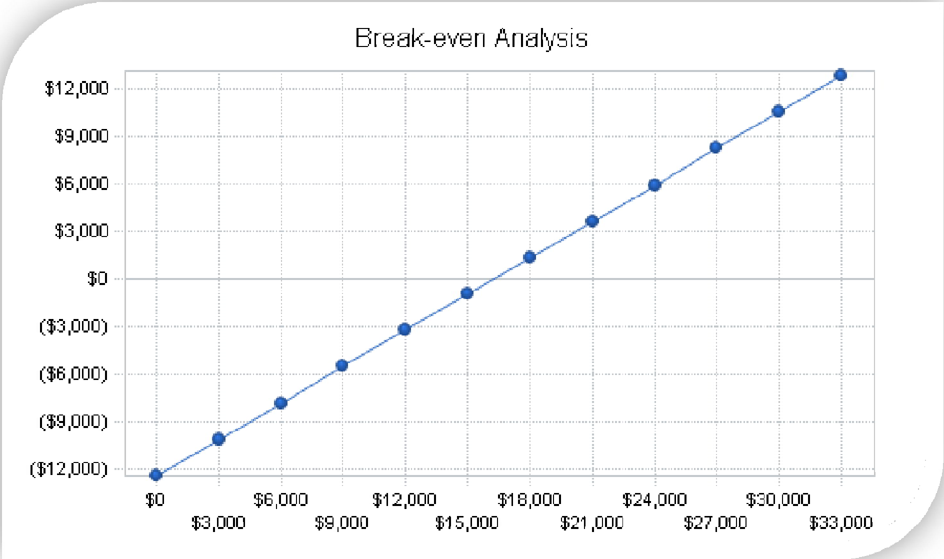
We assume access to equity capital and financing sufficient to maintain our financial plan as shown in the tables.

General Assumptions			
	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	6.00%	6.00%	6.00%
Long-term Interest Rate	5.00%	5.00%	5.00%
Tax Rate	30.00%	30.00%	30.00%
Other	0	0	0

Break-even Analysis

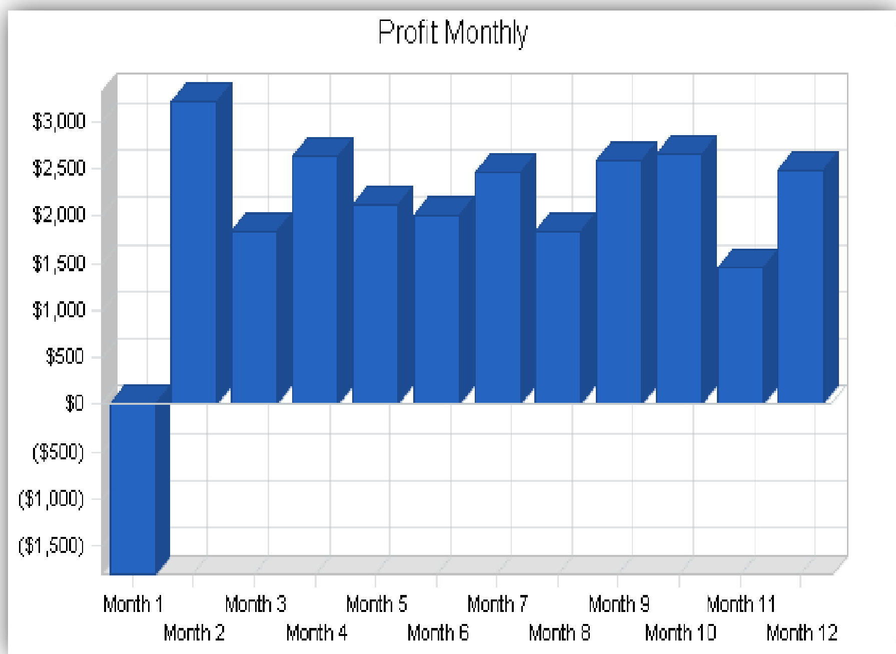
Break-even point

It is the quantity of units sold (it could also be expressed in terms of revenues) at which the total revenues equal the total full costs incurred by the company. In graphical terms, it corresponds to the intersection of the straight line representing the revenues with the straight line of the full costs. Below that point, the company loses money, beyond that point it makesmoney, since all the fixed costs are covered and the additional sales bring additional contributions. The existence of a BEP is possible only if the revenue line grows faster than that of the full costs.
Our break-even analysis is based on running costs, the "burn-rate" costs we incur to keep the business running, not on theoretical fixed costs that would be relevant only if we were closing. The essential insight here is that our sales level seems to be running comfortably above break-even.

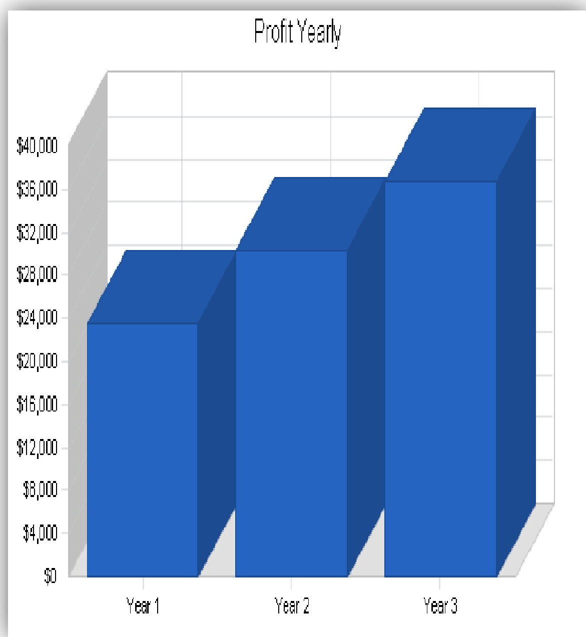


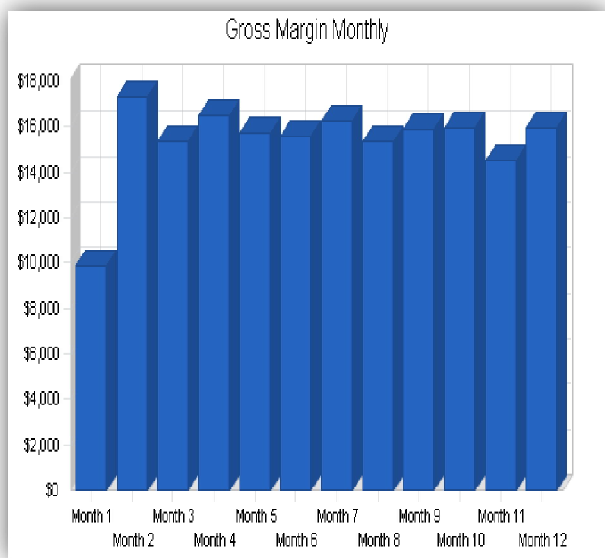
Projected Profit and Loss

We expect to be profitable in the first year, with profits increasing over the next two years, as we establish a loyal customer base.



PUNTO ITALIANO





Università per gli studi di Macerata

Master Relations with Eastern Countries 2011

SUMMARY

Our target in near future is to sail abroad and to offer our Delicious taste of Pizzas to people of many cities in Turkey to form an International Brand.

Our business plan is simple and more effective for Turkish market. As we think they desire more trendy and attractive food from Italian culture. We hope we can provide best service with high satisfaction.

We plan for next 3 years. We hope next 3 years Turkish economy will grow with stability.

Thankyou

Dipti,Burak,Estelle,Cristina,Valeria.