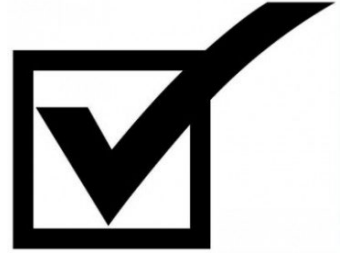


**BUSINESS
PROFESSIONALS**
of **AMERICA**
Giving Purpose to Potential



FINANCIAL ANALYST TEAM (150)

REGIONAL 2024

Initial Case Study Topic:

Aidan's life dream is to open a sandwich shop. Aidan loves sandwiches and loves serving people, so this seems like a great fit. Aidan has taken some business classes at his local community college, so he thinks he has a good idea on how to run the business. But to increase his chances of long-term success he is seeking your help before getting started.

Aidan has found a small location (1200 square feet) in Columbus, Ohio that he can rent for \$7500 per month. He would still need to setup his company, buy the equipment, advertise, set the menu, find suppliers, and hire help.

Alternatively, Aidan is wondering about the possibility of investing in a franchise, but when he did an internet search they look expensive and he's not really sure how they work. He is concerned about the startup costs as well as any share of profits the franchisor might require. Aidan is also worried because he's heard that he will have less freedom with menu items and general decision making if he chooses a franchise.

Requirements:

Explain to Aidan the advantages and disadvantages of a franchise.

Prepare a pro forma analysis of the profitability of the two options Aidan is considering.

What other costs/issues should Aidan consider?

Make a recommendation as to how Aidan should proceed.

Potential Judge's Questions

- Why did you choose the form of business that you did?
- Did you think of any other options that Aidan could consider?
- What other information do you wish you had when starting this project?