

Food, AE  
Pocket &

**Magestil Vocational School  
2007/2008**

**Assistants:**

Chairman: Ana Madalena Pacheco

Chairman Assessor: Catarina Pires

Financial Manager: António Sá

Sales Manager: Cláudia Sousa

Marketing Manager: Daniela Caeiro

Production Manager: Daniela Caeiro

Human Resources Manager: Liliana Martinho

Information Technology Manager: Liliana Martinho

**Project Volunteer: Eduardo Moura**

**Teacher: Joaquim Lé de Matos**

## Pocket & Food, AE

Pocket&Food's mission consists in stimulating and making easy the life of the consumers when they want to carry around light meals. This can be done in an useful and practical way, everywhere they want and in all occasions, thus contributing for a healthier and balanced nourishment, allowing the control of the necessary types of food in order to prevent bad nutrition.

### **Values:**

- Physical welfare;
- Health;
- Healthy Nourishment;
- Innovation;
- Simplicity;
- Versatility.

**Placement:** Thermal bag to carry individual meals with a practical, functional, versatile and a quite fashionable design.

Double functionality: - to carry meals

- transforms itself into a place mat

**Product Policy:** Pocket Lunch is a bag whose aim is to carry individual meals in a *Tupperware*, a bottle/cup and cutlery, in a practical and original way. Another feature of this bag is that it transforms itself into a place mat which can be used on any surface where you're going to have your meal. This bag preserves the food quality, during several hours due to its thermal packing.

The fabrics used for the production of this bag are: TNT fabric for bonding, Dracalon and Plastic in the inside parts making it hygienic and washable during and after meals.

For an easy opening of the bag at the time of any meal, it has all along its brim a Velcro band. Inside there are three elastics to hold the *Tupperware*, napkin, cutlery, bottle/cup in a safely manner, while carrying it.

Pocket Lunch exists in various colours, according to each person's taste.



**Package:** Recycled paper bag closed with self-adhesive labels printed with the company's logo. We chose a recycled bag with the aim of protecting the environment and to make each person aware and take part with their individual contribution.



## Price Policy

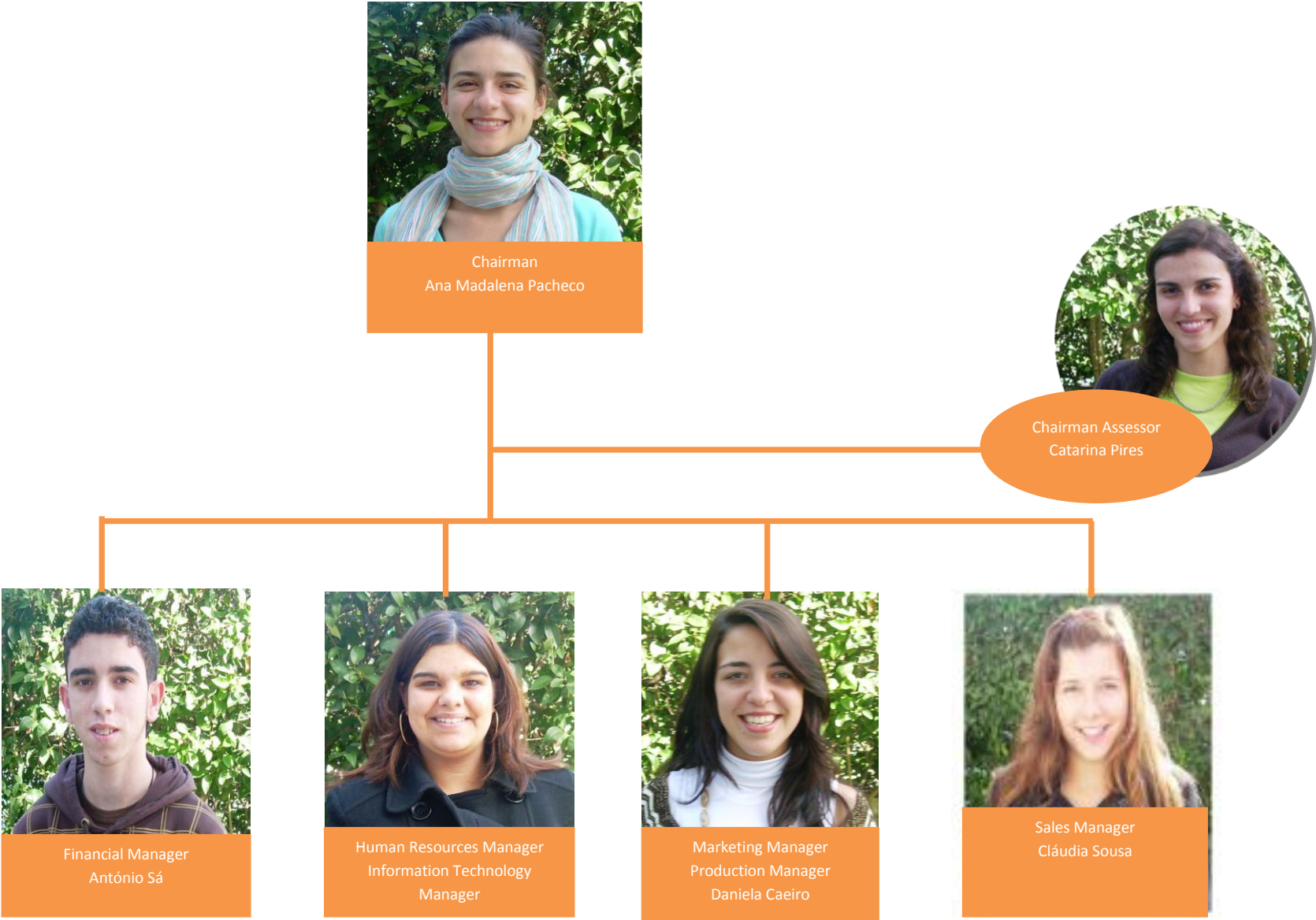
We established the sales unit price of Pocket & Lunch regarding the results of the market study we undertook, that is, the amount the client was willing to pay for a bag with our characteristics. We concluded that the majority of the inquirers would be willing to pay between 10€ and 15€. The price charged by our competitors for bags with the same functionalities, was a very important factor taken into consideration, as their prices were high, about 50€ - medium price.

The unit production cost for each Pocket Lunch is of 8,59 €, which gives us the opportunity to respond to the price that the clients were willing to pay and to oppose the competition's conditions in the common market.

According to these factors, and to be different and distinct from competitors we decided to establish the unit sales price at 12,50 €. Thus, for each additional bag sold, we gained a profit margin of 3,91 €, and still, the practice of a competitive price in the market.

If we reach the goal of producing the bags with more expensive fabrics, of a better quality and varied patterns, achieving new market segmentations, the price of Pocket Lunch may increase.

# Organization Chart of Pocket&Food, AE



## **Pocket&Food, AE. Performance**

The performance of Pocket&Food, AE, doesn't only consider the financial information but also the indicators of the various sectors of the company, because without them it would be completely impossible to continue heading towards our entrepreneurial excellence.

We felt more and more the need to add value to our company, so we took into consideration our clients and their welfare.

Pocket Lunch was the result of our daily routine observation, after which we confirmed the existence of a need that was felt, especially by most women, regarding their daily transportation of meals to their workplace. To satisfy this necessity we thought of making it a practical way of carrying meals as well as an extra fashionable clothing accessory.

Thus, we knew that when the product – Pocket Lunch, would be introduced in the market, we would have immediate accession of our target.

By giving us their real testimony about the usage of the bags and the publicity made among their relatives and friends, in order to make them purchase the bags, we confirmed that our client satisfied his daily need.

As our aim is always the satisfaction of our clients and potential clients, we pretend to reach their expectations, going along with the trends imposed by the fashion market, thus creating various collections by changing the colours of the bags.

We always took into account the necessity of minimizing social health problems, namely the eating habits.

Our internal production skills were constantly renewed in order to satisfy our need to be efficient and to assure a positive answering position to our clients.

We undertook a good stock management, controlling the production of all bags in order to achieve all the requisites and expectations of the clients. All this data was correctly registered and constantly updated.

Whenever an ordering procedure of the bags arrived at our warehouse, by means of our supplier's delivery order –“Coisas de Pano, Lda.”, the information was registered on a warehouse card, and on a daily input-output registration, by references and colours.

Our entrepreneurial performance ensured us to engender value not only in the company - Pocket&Food, but also in the personal values of each group member.

We always had in mind the following policy: To Think → To Act → To Decide. All was previously decided with accuracy and professionalism. When any error or irregularity was detected (To Think), a meeting was held to expose and to talk about the problem (To Act), in order to implement the best decision for the situation (To Decide).

Besides the obstacles and target settings we thought unattainable, all was overcome with effort, dedication and companionship.

Thus, we developed team spirit and unification, along this company's process.

We acquired capacities which impelled us to challenge, to venture and gain, even if things didn't seem so positive. This is the only way for Pocket&Food to continue with an entrepreneurial spirit and become economically and financially viable in the future.

### ***Chairman's Note – Ana Madalena Pacheco***

*“Leadership must never, ever, be imposed and should be accepted by all.”*

This is how my mission began at Pocket&Food, when I was elected by my five colleagues who began to see me as a leader. But I never felt a leader, so I had the need to understand and recognise my capacities that took them to choose me. I found out that to lead is a process by which one can exert influence upon others, in a voluntary way, so that they carry out the tasks that must be done, and reach the aims. While I led, I managed to understand my influence on people, my competence, creativity and adaptability.

I always addressed to the remaining assistants in a kind, clear, precise and objective manner. I tried to show them that the tasks had to be accomplished with efficiency and dynamism, in a rigorous and professional way, thus obtaining the final result.

I learned how to communicate without being authoritative and repressive but saying the things at the right time and using the most adequate method. I managed to motivate, with my self-confidence, positive thoughts, persistence and hoping that everything would be settled.

I always tried to put the assistants of the different departments aware of the company's strategy, aims, sales, costs, profits and losses, that is, making the company an united group. Nothing was totally defined and decided without common consent and opinion of all members. It was a challenge for me, because I always liked doing things my way. Along the course of this project it was important for me to detach and abstract myself from my personal views, to bring up opinions in group and align decisions.

The company we created and learned how to manage is a gain for me now and in the future. It helped me to attain maturity, responsibility, dynamics and pro-activity.

In short, I gained courage to be able to overcome the challenge that life and the labour world is out there.

It's with pride that I conclude this project and company. With Pocket & Food I feel honoured with myself and with my group.

Now I pass the word to my assistants, who are going to give their witness by expressing and reflecting on their personal experiences throughout the project.

*Chairman Assessor – Catarina Pires*

“This project allowed me to develop my own capacities regarding the functioning of a company in its several stages, from the creation until the marketing of the product.

These stages started with the idea and went until the direct contact with the public - passing through the prototype, cost analysis, budgets, trading politics with suppliers and sales techniques.

The capacities developed by the group were - know how to hear; accept and debate the several opinions and ideas of each element, in such a way that the company would always be in first place.

The main responsibilities of the position I hold were to assure the assistance of the Chairman and to handle all administrative issues, connecting all the departments and management bodies.”

*Sales Manager – Cláudia Sousa*

“Personally, the abilities I acquired were as follows: be able to see the functioning of a real company, but although some obstacles arose and I had little experience, I always thought of overcoming them with my colleagues. With this project I gained more professionalism and started accepting the opinion of the remaining group.

At the beginning the company wasn't very well organized, and so we detected where the problem could possibly be, and solved it in order to grow and progress. There were many discussions which opened paths to the right decisions. Our leader always took all our opinions into consideration, before taking any final decision.

We all learned with this project and we had the perfect notion that it would be very useful for us.

My position as a Sales Manager made me learn how to communicate with the public in a more formal and professional way, being able to sell the product to the client.

I learned how to manage stocks, thus avoiding any supply surplus and maintaining the bags well stored in accordance with all technical requirements. The documents I had to develop during the company's activity were as follows: warehouse cards; output and input forms; order forms; invoices; debit note; credit note and receipts.

The fact of the sales having started only in March was an advantage for me, because I cooperated with the other departments of the company, thus having learned all about the proceeding of their functions.”

*Financial Manager - António Sá*

“The compilation of this project made me acquire some personal competences such as the fulfilment of the fixed terms, the knowledge of several entrepreneurial processes, the responsibility towards other people, know how to hear the opinion of others and choose the right time to give my own.

I developed some competences with the group, namely organizing the company’s information, communicating and taking decisions in agreement with all the other assistants.

As to my position I had the following obligations: record all the accountancy documents, provide a record of all the firms movements, summarize and submit all this information not only in monthly reports and statements, but also in daily ones, recording all transactions made, for example – funds paid or received, bank account movements.”

*Marketing and Operations Manager – Daniela Caeiro*

“In course of our company’s activity, I understood that, at a personal level, I had the opportunity to develop and improve capacities such as: initiative; team spirit and coordination regarding the work developed in group; the sense of time responsibility; how to manage it during the performance of each function; the swiftness I developed throughout time, in solving last minute problems. As a Marketing and Operations Manger, I was directly connected to the product, and so my relations with the firm and the remaining elements of the group were easy to accomplish.

In the Marketing Department, I developed opinion and marketing research, to get to know the public in general and to know how Pocket Lunch would be accepted in the market. These market studies allowed us to know if our product would be useful for the consumer, what characteristics would be more valued in a bag with this functionality, among other issues. With this market study we concluded that our target would be women between the 24 and the 35 years of age. In order to fulfil the consumer’s needs we would have to produce an innovative product with special characteristics: a versatile, functional and easy bag to carry around and with a fashionable design.

In the Operations Department, various experiments were made regarding drawings, moulds, fabrics, prototypes, etc. and in the end the best combination of factors were chosen and Pocket Lunch appeared.

Due to the position I held in the company I kept under review all the stages of the evolution of our product, since the taking of measurements, passing through the cutting and ending with the sewing. I also understood that in this branch, the connection between client/supplier needs a good communication and compliance of the terms involving orders, deliveries and payments. Thus, all the functions I had to develop were performed in an easier and more incentivised way, permitting a better entrepreneurial organization.

This project – “Learn how to Enterprise also helped me to Enterprise by Learning.”

*Human Resources Manager and Information Technology Manger– Liliana Martinho*

“My obligations in the Human Resources Department started by recruiting collaborators/staff, after which I drew up a contract for each of them. All the staff engaged under contract in Pocket & Food, AE had the adequate profile and after the signature of the contracts of employment, we passed on to the reception and placing of the staff. In this department daily records of the job absence of each collaborator were done, in order to summarize and submit all this information to the salaries and benefits section.

My activities regarding the Communication and Information Technologies, were firstly the electronic mail system creation for the firm, secondly the computerisation of all documents and maps used in all the company’s departments and last the creation of the company’s site (still in construction).

In course of the development of all these tasks I felt that I grew professionally in many aspects, namely because team-work sometimes is difficult as one has to consider the opinions of all the team members. With this project I started to understand and accept much more the opinion of the others. My know-how level concerning digital/computing literacy increased a lot because I appealed to my colleagues, my sense of responsibility also increased because we always had to keep to schedules and we couldn’t fail. It was an excellent experience.”

## Financial Analysis of Pocket & Food, AE

### Income Statement:

Pocket&Food generated in the end of the economic accounting period a net operating profit of 74,14 €, as a result of the subtraction of expenses from revenues that are a direct result of the regular business operations.

Pocket & Food doesn't report any financial profit because it didn't incur in any financial revenues and expenses through both operating and non-operating activities over the specific accounting period.

Pocket & Food doesn't report any extraordinary financial profit because it didn't incur in any extraordinary financial revenues and expenses through both operating and non-operating activities over the specific accounting period.

The Profit before Tax is of 74,14 € as a result of the operating items section which discloses revenue and expense information about activities that are tied directly to a company's regular operations.

The Net Profit after Tax (NAT) is of 7,41€, representing 10% of the Direct Tax.

The Net Profit of the Year (NPY) of Pocket&Food is of 66,73 €.

### Final Balance Sheet:

Pocket & Food reports in the end of the accounting period a total of 1.446,29 € in the Assets side.

The Share Capital was of 400 € and the Net Profit of the Year of 66,73 €; thus the Shareholder's Equity increased to 466,73 €.

The Total Liabilities is of 979,57 €, and the company owns sufficient current assets to bear the liabilities incurred upon.

### Final Balance Sheet of the Company Pocket & Food,AE on 30-04-2008

Final Balance Sheet of the Company Pocket & Food,AE on 30-04-2008			
Assets		Shareholder's Equity and Liabilities	
<b>Current</b>		<b>Shareholder's Equity</b>	
<i>Inventories</i>		51 – Share Capital	400,00 €
32 – Goods for Resale	773,90 €	88 – Net Profit of the Year	66,73 €
<i>Third Parties Debtors</i>		<b>Total Shareholder's Equity</b>	466,73 €
21 – Clients	265,50 €	<b>Liabilities</b>	
24 – State or Other Public Bodies	21,02 €	<i>Third Parties Creditors</i>	
<i>Liquid Assets</i>		22 – Suppliers	972,15 €
12 – Cash at Banks	385,87 €	24 - State or other Public Bodies	7,41 €
		<b>Total Liabilities</b>	979,57 €
<b>Total Assets</b>		<b>Total Shareholder's Equity and Liabilities</b>	<b>1.446,29 €</b>

### Income Statement of Pocket & Food, AE at 30-04-2008

Expenses or Loss		Revenue or Profit	
61 - COGS	525,40 €	71 - SALES	1.076,38 €
62 – SUPLIES AND EXTERNAL SERVICES	441,20 €	(B)	1.076,38 €
64 – EMPLOYEE COSTS	35,64 €	78 – FINANCIAL INCOME	- €
(A)	1.002,24 €	(D)	1.076,38 €
68 – Financial Expenses	- €	79 – EXTRAORDINARY INCOME	- €
(C)	1.002,24 €	(F)	1.076,38 €
69 – Extraordinary Expenses	- €		
(E)	1.002,24 €		
86 – NET PROFIT AFTER TAX	7,41 €		
(G)	1.009,65 €		
88 – NET PROFIT OF THE YEAR	66,73 €		
(I)	1.076,38 €		

#### SUMMARY

81 - NET OPERATING PROFIT / LOSS	74,14 €
82 - FINANCIAL PROFIT / LOSS	- €
83 - (CURRENT PROFIT /LOSS)	74,14 €
84 - EXTRAORDINARY ITEMS	- €
85 - (PROFIT BEFORE TAX)	74,14 €
86 - NET PROFIT AFTER TAX (NAT)	7,41 €
88 - NET PROFIT FOR THE YEAR	66,73 €

**NOTE:** The financial statements were reviewed and signed by the teacher answerable for this project.

## **Conclusion**

This project allowed us to enter an unknown world, the real world of business.

We had the opportunity of establishing a real company in the market, perceiving all the formalities and legal requisites, and commercializing our product.

Within practical terms we learned how to administrate a company, managing it in a viable way, making it known through communication and promotion actions, recording all the accountancy documents and generating all economic and financial charts of the firm. All this work was developed without forgetting the study of the economic situation of our country – Portugal.

Within personal limits we gained team spirit enabling us to develop interpersonal and labour skills which will be propitious for our future.

We learned how to become entrepreneurs!