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Essential Key Ingredients

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ACKNOWLEDGMENTS

First of all, I would like to say thank you, (the entrepreneur) for giving me the inspiration to do this project. Then I would like to thank my multiple teachers in the culinary industry, for guiding me throughout the years, from which this book was derived. We had some difficulties in doing this task, but we knew what to do. Last but not least, my friends and family who were doing this project with me and sharing our ideas. They were helpful that when we combined and discussed together, we had this task done. It is my pleasure to describe the donut business with you, but it was not a task completed in solitude.

Image Acknowledgments

My thanks to following for allowing me to utilize images and graphics from their website to better illustrate and clarify my writings with pictures.

www.bakedeco.com
www.coloreink.com
www.canopycool.com
www.allgreenmanufacturing.com

ALL OTHER IMAGES ARE DERIVED FROM WWW.DONUTEDVD.COM

Dana Brown
Ed Chastain
Lester Chastain
INTRODUCTION

Congratulations on your choice to invest in *Donut Business Formula*, a very informative guide to successfully start and run your donut business. I have written this book to save you hundreds of hours of research and thousands of dollars in hard earned money before you ever set foot in the donut business by reading this book.

I am confident that *Donut Business Formula* provides *most* everything you ever wanted to know about the donut business and answers the questions you really want to know about in order to enter the donut business.

ABOUT THE AUTHORS

Edward and Lester Chastain, a recognized authority on the subject of donuts and professional bakers for two decades, is skilled in the art of making and creating quality donuts with attention to traditional donut making methods. His website, www.donutedvd.com, provides a wealth of information on everything you'll ever need to know about the donut business.
CHAPTER 1. INTEROPERATIONS

Why I Wrote Donut Business Formula and What You Will Learn

There have been many books written about the culinary business from how to plan, start, operate and be successful in the coffee/espresso, donut, catering, concession and restaurant business. All of these how-to instructional books have one common denominator? These books and resources simply do not give you an insight into actual product creation with attention to monetizing related products associated with donuts to be successful in a donut/bakery business. The goal of donut business formula is based on specific objectives with an overall theme?

Monetizing the donut business!

Why I wrote this book is based on three parts: 1) To address questions and concerns from the donut & bakery community, 2) To provide an insight into business planning – ie. finding a location, acquiring equipment, lease considerations, daily shop interoperations, 3) Attention to growing the donut business.

And finally, to be an effective helper for my donut course members. There are few donut business related books and instructional courses that actually offer you (the entrepreneur)

➢ An Understanding of the Donut Business
➢ The Art of Learning How-To Make and Create Donuts
➢ Marketing and Branding the Donut Business
➢ Monetizing the donut business and related products that sell well together and grow together

给予 you the business insight to have confidence to pursue a plan of action to enter the donut business, based on executable information.

I have been inspired to completely rewrite the donut shop formula e-book into a comprehensive approach to enter the donut business with a proven business model by providing actionable information such as identifying a specific donut business niche that is based on community wants and needs.

A number of topics found within this book has been derived from several hundred (If not thousands) of e-mails from donut course members requiring additional information to better assist them with their plan of action. I have dedicated a complete chapter to questions and answers (Q/A) clarifying easy and complex explanations pertaining to the donut industry.
In addition, I have been eager to clarify critical elements about organizing and then, launching a successful business grand opening to attract free media publicity. Also, I am acuity aware of the importance for the reader to have a complete understanding of monetizing the donut business based on multiple approaches with attention to community wants and needs.

My motivation to write this book, is clearly based on my passion for the donut business and all that the business offers. One motivation alone stands out for me “donuts are cool!” Also, I enjoy the thought of carrying some tradition over to you. I would like to add that donut making gives a person a sense of accomplishment and fulfillment.

After every bake, I always look at the show case and wonder if I could have done it any better or sweeter. My customers reward me by spending their hard eared money and complement me daily, motivating me to do a better bake. Donuts have been good to me over the years, and I am confident the business will be good to you, too.

The Donut business formula is now your story, your passion and your business “I am happy to be a part of your journey for a recipe to success!” My passion for the donut business is complemented by your passion to learn the lost art of donut making. Again, I am happy to be associated with it and with you!

In writing this book, I decided not to inundate the book with complexities that overshadows the overall goals of this book, (monetize the donut business) making for an intuitive read and better assisting the entrepreneur to enter the donut business. An example would be setting up a corporation: although I explain the different forms of incorporation and basic methods for incorporating a new business. I do not explicitly offer step-by-step, how-to incorporate an LLC, (limited liability corporation) because that is what attorneys are for. For $1000, you can hire an attorney to draw you up and LLC.

Instead, I primarily based the book contents on questions and concerns from the donut community however I only addressed topics that I have been personally met with, based on my personal business experience. All of which will assist you with clarifications to have a professional business plan written, based on chapters of this book.

This is what differentiates donut business formula from other culinary business books, because I provide the donut training needed (On DVD) with a comprehensive book that complements and clarifies, the advanced donut training course found on DVD.

“Should you enjoy doughnut business formula? Then you will absolutely benefit from my advanced donut training course found on DVD, a four hour, step-by-step, donut making course that will complement doughnut business formula.”

Found at www.donutedvd.com
In the Beginning (Taken from Donut Shop Formula E-Book)

My mom started it all. I was 17 (now 41) and in need of a trade when my mom suggested I work with my uncle in his bakery. Uncle Charles “Chuck” eagerly accepted the help and I was interested in the opportunity to learn a new trade. I quickly found myself inundated learning cake preparation, pastries and donuts, all while adjusting to the graveyard shift. “Now I know why they call it the graveyard shift.”

Four months had passed and I learned to roll raised “yeast” donuts, batch, mix, making and creating a small donut line, but I did not feel confident within my new found experience as Donut World is a large production operation whereby all baked and fried goods are made by scratch, (Very time consuming, redundant steps with no corners cut). Chuck “simply did not have the time to fully train me as we were under pressure to make and deliver our donuts.

Chuck sold the shop as that was what he did for a living. My uncle could set up a donut shop in under 45 business days, implement a donut wholesale business while marketing the shop for sale. Chuck generally purchased used equipment for under $15,000 and sold a turnkey donut business for $45,000 or more, unfortunately it left me without a job.

While seeking employment I quickly realized bakers in general, do not want to train new bakers, possibly because of competition or fear of losing their job. One common denominator with donut makers and bakers? Once trained and hired, they feel un-replaceable as experience bakers knows what it takes to replace them because the owner of the donut shop has to deal with months of individual one-on-one training to achieve a new baker. I eventually work multiple small shops “with Chucks connections” building my skill around the Sacramento California area.

I finally got the break I was looking for at just over 18 years of age!

Donut world in San Francisco a popular donut shop with good volume and sells which meant great money for me! I started out as a helper around the shop by scraping floors, helping the owner when needed and waiting for full time employment in this flagship donut shop “a true money maker”.

I wanted this job! Close to home, great pay and the title of head baker and the prestige of the youngest baker ever hired in company history. Also knowing I would be in the presence of experience old time bakers, set well with me.

Well finally after a year of grunt labor I proved my worth with lots and lots of hard work and with a little luck. I was hired on as head baker of not 1 but 2 of donut world locations as relief baker. This position is usually reserved for the best bakers because I had to trouble shoot a new donut shop, twice weekly without the comfort of being familiar to working a singular donut shop.
I was happy for I was making $125.00 a shift at nineteen years of age with no living expenses and peaked at $175.00 prior to opening my first donut shop. The reason I mention this? I paid my dues all while respecting people around me. It was my destiny for I met my wife and soul mate and we know own a donut shop within the beautiful cascade mountains of Newport Oregon. I hope you can appreciate our appreciation for your interest in donuts. We thank you!

Overview of the Donut Business Industry

There is no sugar coating the profit in donuts. It’s a Saturday afternoon and there are 50 individuals standing outside in the cold rain waiting to get inside the Voodoo donut shop, which sells unique creations like a glazed donut with bacon bits and a peanut butter and jelly behemoth. As a culture, we are still willing to get our donut “fix” regardless of healthiness or a floundering economy. Why is this?

Cultures worldwide enjoy “comfort foods” which remind us of memorable events, smells, taste, or a favorite meal. What exactly is a comfort food? A visit to Wikipedia shows a definition as being a flavor or type of food that invokes an emotional response of well-being or satisfaction. In essence, it’s a conscious reminder of simpler times such as a childhood favorite like mac & cheese or mashed potatoes & gravy. Traditionally, comfort food came from a restaurant experience, but our fast-paced society now prefers fast food menus or prepared foods—in particular, items like ice cream, burgers, pizza, and yes, donuts. There are many thoughts as to what a comfort food is; the main point is that the food is usually easily prepared and makes us feel good, calories notwithstanding. But comfort is only one aspect as to why donuts continue to be economically viable.

No one will ever mistake the sugary, softness of a donut with; say a carrot stick and donuts will never make a cardiologist happy. But new recipes, designer donuts, ingredients, packaging, and cooking oils help the consumer feel better about their choice of snack. According to the American Heart Association, one way to make donuts healthier is the choice of cooking oil. Be careful, some oils have different smoke points and leave an aftertaste to the product. No one wants their donut to taste different than what they are accustomed to!

Donut Statistics

According to the Bureau of Labor and Statistics, the overall number of bakeries and retail shops producing donuts has increased by 2.1% since 2009. Now, that may not seem like much, but consider what our economy has gone through the last three or four years. Also, keep in mind that several national chains and small businesses have closed their stores. Dunkin’ Donuts, a U.S. national chain, continues to grow with its successful venture into coffee products and national
advertising campaigns touting new menu items and an elimination of Trans fats from these items. Further, national names like Krispy Kreme, Daylight Donuts, Winchell’s Donut House, and Southern Maid have increased the amount of donuts sold. *Time* magazine reported in Sept. 2010 that 10,000 additional stores have begun selling donuts since 2009. The national research firm NPD states that over 1.8 billion donuts have been consumed in 2010 (that’s up 6.1% from 2009). I know I have done my part in contributing to the amount of donuts consumed!

NPD also states that the breakfast meal outgrew all other meals in the fast-food, quick service restaurant segments in sales at 21%, up from 18.8% in 2005. The fascinating fact is that donut sales defy logic with sales for donuts occurring from early morning to late at night. It seems everyone is willing to visit their decadent side!

AnythingResearch.com reports that bakery and baked goods stores rank eighth in the ‘fastest growing industries that are hospitable to small businesses’. Also, SageWorks, a marketing research company, states that sales for baked good have increased 3.79% since 2009. So statistically there is stability within the bakery and donut industry, but what trends help contribute to this?

**Healthier consumer attitudes**

Let’s face it, sometimes you just want to go off the diet or healthy lifestyle and indulge a little. Just make sure that you consume donuts in moderation because possible health considerations include an increase in blood sugar and diabetes.

Our health conscious society has focused on ways to keep thin from exercise to fad diets promoting easy fat reduction results. Consumers justify eating donuts by eating smaller portions and healthier ingredients. And the fact is that many of us will buy a healthy menu item yet buy a donut product at the same time. Who can resist seeing that donut in the display case? Unique and inventive product packaging has helped to create an environment of healthier eating habits. If you are eating smaller portions, you have to be more responsible, right?

Families and health conscious individuals have found the “mini donut” to be very appealing. This product is great for families with small children; you can regulate how much sugar they actually get. Not only that, but mini donuts are easy to produce and are cost effective. A small donut eatery in southern California packages blueberry, raspberry, banana, and whole wheat mini donuts with flavored “organic” sauces in small recyclable boxes numbering six or twelve.

New recipes which include natural flavors and flour alternatives have been introduced to replace/add to existing yeast-based dough (which have about 25% oil by weight) and cake donuts (at about 20% oil by weight). Cake donuts add extra fat before frying. There are several links and resources that can assist you with recipes. The easiest, tried and true method is to ask your customers what they would like in a healthy donut.
A change in the type of cooking or frying oil can enhance the healthiness of a donut creation. Types of oils used for frying donuts are those with a high smoke point. Oil examples include refined safflower, sunflower, peanut, and soy oils. Canola oil’s health virtues are well documented. Don’t use oils like olive oil because of the high cost, smoke point, and aftertaste. All of these oils are monosaturated fats that are healthier for us.

Classically, donut making has used saturated fats which raise blood cholesterol. The AHA promotes oils like canola and soy to fry donuts. Essentially, the small business owner has to use oil that is cost effective. I’m just telling you how “healthy” donuts are being touted by health organizations and those that health conscious consumers look for.

Donut shops, small kiosks to upscale eateries, have begun to use local, seasonal ingredients such as fresh berries and fruits to create healthier donut products. A popular fare at farmers markets is to have whole wheat donuts with seasonally flavored dipping sauces (blueberries, strawberries, raspberries, and of course, honey).

**Themed Donuts**

The last few years have seen cupcakes become the “it” item to have at dinner, birthday, and wedding events or socials. National chains and small businesses have saturated the cupcake market to the point where interest is beginning to level off. People are beginning to go back to an old standby, donuts.

One reason consumers like their donuts is because they have their own ‘personal’ donut haunt this is a non-chain. You go in; the owner knows your name and what you crave. There is a sense of familiarity. Younger patrons and those with disposable incomes in large cities like new, trendy settings where they can enjoy the latest donut craze and be seen.

*The Miami NewTimes* newspaper reported on March 25, 2010 about the abundance of non-chain donut haunts that continue to sell provocative donut creations. Fresh farm eggs and local fruits make the Mandarin Gourmet Donut Shoppe a hit with native Miamians. Their small shop stands out because they will deliver their products from small orders to large meetings or events. Imagine biting into a donut covered with crushed hazelnuts, white chocolate drizzle and custom dark chocolate espresso. I’m there!

This is another example why donuts offer stability even in economic uncertainties; people are willing to spend money on a comfort food presented in a unique way with superior customer service. The Sweet Action Ice Cream Shop produces custom donuts with ice cream on top and all the sundae sauces you could wish for.

But it isn’t just trendy spots that make people love their donuts. Try the iconic Randy’s Donuts in Los Angeles with buttermilk and crumb raised donuts. This sounds terrific!
**Designer Donuts**

Looking for a glazed or jelly donut? Not so fast. Caryn Rousseau of the Associated Press in Chicago writes that some of the new, trendy flavors hitting the donut scene include pomegranate thyme and Bing cherry balsamic. Sound unusual? How about crème custard with tea in it? Home bakers, national chains, and small donut shops around the country and world aren't re-inventing the wheel; they are making a whole new wheel by creating new custom recipes, ways to present designer donuts, and new exciting flavors that you wouldn't expect to see.

Imagine seeing Cocoa Puffs or Captain Crunch on a whole wheat donut with strawberry jam! Talk about crazy and unusual, but very intriguing. A donut shop called Glazed Donuts in Chicago sells iced mint mojito donuts with fresh mint sprigs jumping out of the donut hole or improving the peanut butter and jelly favorite with grape jelly.

Many bakers think they are taking a cheap comfort food, putting unusual, exciting flavors and ingredients into them and creating a luxury menu item.

Also, the vegan consumer can buy squash-themed donuts and blueberry chocolate donuts for the chocolate lovers. The possibilities for designer donuts are endless and can be produced to target a particular audience.

**Home-made Donuts**

Cooking donuts from home has also become a fun activity as well as a cheap way to enjoy donuts with many blogs and links available to help in the baking process. The problem with home-made donuts has always been the mess, recipe, and dough problems. Tutorials, new baking techniques, and better ingredients have helped the home baker create fun, custom donuts with exciting flavors and unorthodox toppings once the recipe has been mastered. Go wild with your combinations and consider creamy fillings. What could be better than eating a donut straight from the fryer, well, maybe after it cools.

Bakeries and donut shops are responding to the USA's rising interest in ethnic cuisines and flavors by incorporating these tastes into their products. Bakeries and donut shops are focusing on diverse and authentic baking products in order to tap into these growing markets. Coffee and coffee drinks remain a natural companion to donut products so a number of retail franchises are introducing coffee as part of their product range.

**Donuts as a Cheap Treat**

Let's face it with double digit unemployment in some regions of the USA and families trying to stretch the value of every dollar, donuts are a family sweet indulgence that won't kill the monthly budget, as opposed to say a cup of coffee at Starbucks or a trip to a favorite restaurant.
Regardless of your social, ethnic, or economic status, donuts are a comfort food for Americans like Swedish meatballs or potato pancakes are to Swedish individuals. Cultures worldwide have their own versions of donuts. No one will tell you to eat several donut products a week because that would be hazardous to your health by increasing your chances of weight gain and diabetes. But the occasional splurge won’t hurt a healthy lifestyle. Our current recession hasn’t diminished our craving for sweet creations because it makes us feel like we are getting away with something; if only for a moment in time and are a cheap way to have fun.

In addition, by our very nature we will try a new, unusual donut flavor or type to see what it tastes like. New donut recipes, flavors, ingredients, packaging, and cooking oils help to create healthier donuts. New designer donuts make a festive occasion more memorable and create an advertising buzz and customized donuts give individuals the chance to be creative. Home-made donuts allow the baker to use their creativeness while at the same time there are new resources, blogs, Internet links, and new recipes that assist you in making terrific donut creations. All in all, donuts are here to stay and will remain a stable business opportunity no matter how good or bad the economy is.

It is a fact, donuts are the second most profitable food item in the nation, behind only to the potato according to Daylight donuts http://www.franchiseopportunities.com/Zor_138133/Daylight_Donuts.htm.

There is an estimated 15 million donuts sold annually with an average cost of only $0.12 each, to make and finish a donut. In times of economic downturn, (such as we are being met with today) donuts sales increase due to low cost and being that donuts is a comfort food, “who doesn’t like a fresh warm donut”.

Donuts are Americana at its best! From the Salvation Army serving donuts to our soldiers through World War I and World War II and currently in Iraq. I believe donuts are a recipe for success and a taste of home that gives the soldier comfort, (at least I would like to believe so). Also, donuts have been successfully promoted for fundraising almost since the time they were derived by cutting a hole in the center of the donut dough, so... the donut would properly cook and not be raw in the center, “that is what I believe how the traditional donut was derived”.

I personally have an inherent passion for the local donut shop. From a very early age I remember at the age of nine watching my uncle “Charles” making donuts in his donut shop. When I was a youngster I can remember looking at the donut display case and my attention was always drawn to the donut holes “with donut holes being almost as big as my eyes” and my psyche attempting to make a rational decision for what donut hole, I wanted to eat. Hey, when you are 9 years of age—that’s a tough decision.

I believe we all at some point in time are caught in a trance induced decision at the local bakery serving a wide assortment of baked products and then, reflecting and then being caught
in our youth, staring at the rows donuts, breads, pastries and of course cakes. And now that we are grown and mature and wise, we find ourselves wondering exactly how those donut were made. In fact, to this day, I am still testing and perfecting my donut making art.

Honesty, the low-cost of donuts may contribute to why most donut shops are located in areas of poor descending communities. I never really wanted to admit the fact’ that donuts sell well to the poor. On a side note: there is no differentiating between the haves and have-nots because the rich and poor alike have a common denominator, we all take pleasure in comfort foods.

It can be said and has been stated by the author of *Glazed America by Paul Mullins*—from an interview by (University Press of Florida):

“Well, the conventional logic is that donuts are sort of an inverse mirror of the economy. So for instance, during times of recession, folks in the industry argue that donut sales generally will increase because we’re pinching pennies. You can eat a very filling snack or meal, you know, at a donut shop for very little money.”

I agree for I have personally seen donut sales increase during economic downturns and/or from the unfortunate natural disasters such as Katrina and the 1989 earthquake in San Francisco “The Loma Prieta earthquake” where we literally sold every donut in the showcase within one half hour. Why? Donuts were readily available, low-cost and in volume. In fact, to keep up with the frantic sales, it required four full-time bakers on a rotating 24-hour shift, that lasted over a three-day period. I would never wish for a natural disaster to happen, only to sell donuts, but it can pay to be prepared when a catastrophic or economic situations arises.

What I like about a donut business is that you control product consistency and quality. And you do not have to worry about the counter person selling the donut, (Donuts sell themselves). Therefore you do not have to hire numerous employees to operate a donut shop.

Donut shops have the potential to be very profitable. Unlike restaurants, where it’s difficult to sell in bulk, wholesale, or to diversify product, most all donut shops sell coffee, espresso, and other baked goods for bigger profits. Products that go together, grow together—donut shop owners can implement a deli line, soups, sweet rolls, croissants, muffins and acquire donut wholesale accounts relatively easy.

Once a donut shop is up and running, shop owners can economically open a satellite location, commonly known as a “cold spot,” where you or a driver delivers the finished donuts, sweet rolls, etc. A cold spot can be operating within a few weeks, carry all the products of your primary shop, and be operated by one employee. Should your primary location lack a drive-through for customer convenience, a cold spot is a great option for improved “immediate” profits with increase resale value as well! The lone employee just has to sell the finished product, similar to the increasingly popular drive-through coffee kiosks.

But with donuts, you have the competitive edge. Donuts sell themselves, and coffee is always
associated with donuts. However, a professionally trained coffee “barista” should be sought to help define your donut and coffee shop as the authentic, local donut authority. I recommend espressobusiness.com and the site owner’s offer a professional DVD training instructional. Consider selling proof and bake “yeast” donuts to restaurant supply companies for additional profits. Also selling donut holes in different varieties and packages can generate easy revenues as kids love them.

Consider building a coffee hut with a drive-thru and implement your donuts while building your own franchise with a niche concept (I thought you would like that idea) or add a lil-orbits machine to your shop or concession van to entice sells, also use your digital camera too take pictures of specialty donuts like the mocha donut next to a mocha espresso.

The possibilities for growth are truly endless. For instance, with today’s affordable technology, the possibility of turning your donut shop into an Internet café is very appealing to repeat customers, especially business people and the self-employed who can work for a little while each day from a table in your shop. Filling this niche is yet another example of how products (and services) that go together, grow together. Only implement new products or services that are based on what is best for you and meets the particular needs of your community.

A donut business doesn’t have to be complex—it can be as simple as selling specialty donuts at local events. (I personally enjoy selling donuts at gun shows and gold prospector events—those folks love their donuts!) You may have other, better ideas that are best for you, such as operating a concessions van on the weekends, selling only mini-donuts utilizing a donut making machine. However you decide to approach the donut business, it’s a great way to supplement your income or create a new business from scratch.

One very attractive element of starting your own donut business: compared to other opportunities, the start-up cost is very minimal. The average cost for a complete set of equipment needed to run a donut shop (which can be widely purchased used) costs under $5,000. (Other costs, such as retail rental space, vary by location.) Another cost-cutting bonus: industrial-grade coffee makers and espresso machines can be obtained for FREE from major coffee suppliers if you agree to use them as your sole coffee supplier.

Donuts are cheap to make. They’re the second most profitable food item in the nation, behind only to the potato. The average cost to make and finish a donut is approximately 12 cents. Considering that a specialty donut like a bear claw can sell for $1.25 on average, donuts sold in volume (as well as related products) will make you money.

Think about the donut shop owner, work ethic as you consider this: as I was driving to the shop one morning with the radio on, I heard various announcements from local companies and government agencies that were closed for the day due to a very large storm. It must be nice to have a paid day off because of some rain, I thought. However, as I was driving, I noticed that a few businesses were starting to open. One of them was a donut shop. I knew it would be open—
this business and others like it didn’t have stockholders and taxpayers eating the cost of being closed for the day. I also knew that this place was about to be packed with people. I find it ironic that the same people who had such a hard time going to work in that extreme weather had no trouble going out for donuts. But the reason these people were at this donut shop was because they knew the store would be open, clean, and with a wide selection of freshly prepared donuts.

Donut making gives a person a sense of accomplishment and fulfillment after every baking session. (But I still always look at the case and wonder if I could have done it any better or sweeter!) I’m rewarded by my customers, who spend their hard-earned money and compliment me daily, motivating me to do a better bake. The next time one of your friends starts complaining about their job, do what I do: look them in the eye and tell them “take control, be a donut maker.”

**The Donut Shop Owner**

The donut shop owner is directly responsible for the daily operations of the business and directly responsible for the success or failure pertaining to the business, and of course, the donut shop owner is the pulse of the business. The shop owner is typically a baker, businessmen, activity director (more on this later), and solely responsible for promoting, advertising and liaison for the company to connect with the community.

The donut shop owner specifically oversees the quality of donuts and related products being prepared on a daily basis, assisted by business partners, family, bakers, assistant bakers, and counter persons. It is sole responsibility of the donut shop owner to ensure a consistent and quality product that repeat customers are accustomed to, all of which ensures a pleased and loyal repeat customer.

The successful donut shop owner realizes how critical “the business” relies upon him/her to provide consistent donut varieties made daily with attention to customer service of utmost quality and he/she is aware of the general feel and theme of the donut shop at all times.

We all have been to a bakery or restaurant that serves great food but lacked a sense of warmth and general comfort such as busy lighting, lack of privacy (no booths or privacy lattice) or a general feeling of being rushed? all of the above accounts for a lack of comfort. This is yet another example of how the shop owner must be alert and aware of how his or her business is being perceived by the community.

In addition, the shop owner is responsible for determining the amount of donuts prepared daily based on additional donut wholesale, donut wholesale delivery, special orders and, of course, the donuts needed daily for the shop to function.
Also, donut shop owners are responsible for acquiring ingredient supplies needed for making the donuts and acquiring related products such as specialty coffees, espresso, cappuccino and an assortment of teas. All of which is needed to maintain daily functionality of the business. With that said, the goal this book is to assist you to monetize the donut business.

**The Donut Maker**

The donut maker (and bakers in general) are very unique people and, in all honesty, a strain of their own! The donut maker is fully aware of their unique and highly sought after trade. The donut maker realizes how difficult and time-consuming it is to replace them. The donut maker can work in any city and find employment within any region of the United States and around the globe.

Some donut makers are better than others, however, they all have a collection of common attributes. They are independent with the ability to work long and demanding solo shifts and their work ethic is second to none because “The donut maker” is responsible for the overall nights bake. The donut maker provides a critical role allowing you (The owner) time to grow the business, rather than work the business. You may be wondering what is the most cost effective and efficient way to hire a donut maker. In addition, what wages to pay the donut maker.

I recommend hiring and training a bakers assistant throughout all stages of the donut making process. Starting with frying donuts, icing donuts, preparing donut condiments, donut icings and glazes, and then ultimately teaching the assistant to make the donuts. This is not an easy task but achievable. The hiring of a donut maker is critical for your overall success in the donut business. You must be able to grow the business and you cannot successfully achieve that goal if you are working 12-hour night shifts.

I recommend paying your donut maker based on solo shifts. Solo shifts is whereby the donut maker completes the entire bake by themselves with little to no assistance. An experienced donut maker can command $150 a night, not cheap but considering you can acquire 10 to 15 donut wholesale accounts or more, the wages are more than justified! I believe $150 a night wages is cost-effective for you (the business owner) to successfully grow the business.

**The Counter Person (Employee)**

The counter persons should be courteous, professional and orientated to each and every donut in the showcase! The counter persons should know when and how to up-sell, cross sell and promote upcoming donut related specials. There is much that can be said about the counter persons but one critical factor is above all? They must be honest, sincere and possess initiation
and motivation to the content and reflection of their work! This is critical because the donut connoisseur must be pleased in order to be a repeat customer.

When hiring a counter person consider this: Does he or she have a current criminal record check? If not, do consider having one done. Have he or she worked six jobs in the last six months? If so, consider paying a better wage and hiring someone reliable. Does he or she bring their problems to work with them, (discovered from checking their work references)? If so, ask why? There is nothing more problematic and stressful than a domestic relationship gone bad and then reflected at the work site! With all potential employees to be hired, it is your job to be alert and aware of situations that can become problematic. It is very difficult and expensive to hire, train and implement and instill a quality work ethic on a person, that simply lacks the skills to reflect your business on a positive light.

There is one more piece of advice I would like to share with you in regards to the counter persons. This advice may be the best advice in this book and will benefit you and your customers for years to come! Do not allow your employees to become absolute best friends, WITH YOUR CUSTOMERS! Should you fire this employee, YOU WILL LOSE CUSTOMERS! I have seen it happen, I know, it happened to me! I once fired an employee and the rest is history... let's not allow it to be your history! This situation can be avoided by simply orientating your employees to a code of ethics upon a new hiring.

**The Customer**

The reason donuts have a loyal following of donut connoisseurs is because donuts are Americana at its best! The donut shop offers a special place for people to reminisce about their childhood. Do you remember when your father or mother had taken you to the local bakery and/or donut shop? Do you remember staring at the donuts in the showcase, and wondering and then deciding on the donut you want to eat? I do... and I remember staring at the donut holes almost as big as my eyes, when the baker would reach in and bag my half dozen holes. Let me tell you, I was a happy camper!!

Donut connoisseurs are amazingly loyal to the donut shop and let me tell you! They know their donuts and when a person makes a request for a specific donut, you better listen to what they have to say because more than likely, you will learn and/or have your memory refreshed about a new donut. A donut connoisseur once asked me, “Do you know how to fill my donut holes with vanilla cream filling, I used to eat those as a kid and I miss them”.

I replied “why—yes I do,” and went on to say, “Do you have a few minutes... I will be happy to prepare some of those tasty donuts holes for you.” You should have seen the smile on his face because he knew of the treat that was in-store for him! I immediately went back in the kitchen
and double whipped some white icing and added a touch of vanilla and then triple whipped this decadent filling and continued to sell those donut holes for years to come.

*Lesson learned!*

In addition, the customer continued to patronize my business weekly with his family and friends. This is what it is all about, pleasing your customers... and that day, like many other days. I was a successful helper, in that, my customer was now reminiscing about his childhood days while enjoying donuts with his mother and/or father...

PRICELESS!

There is more to monetizing the donut business than running the next special. It is about you knowing your customer wants and “actual” community needs and of course, your passion to successfully please repeat customers. This is critical because to successfully grow your business, a positive perceived perception within your community is of utmost importance to grow the business for (word-of-mouth) is the best advertising that can be obtained.