

Starting a catering business

Developing entrepreneurship in rural areas by adapting a historic building into a catering establishment.

EAFRD-funded projects

Location: Morąg, Poland

Programming period: 2014-2020

Priority: P6 - Social inclusion and local development

Focus Area: Local development

Measures: M19 - LEADER CLLD

Funding:	Total budget	35 750 (EUR)
	EAFRD	15 907 (EUR)
	National/Regional	9 093 (EUR)
	Private/own	10 750 (EUR)

Timeframe: 16/05/2018 - 28/09/2018

Project promoter: CAFE & BISTRO "WIEŻA ZE SMAKIEM" Magdalena Mudry

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Summary

The project involved a renovated historical monument, a water tower from 1906 in Morąg, Poland. Magdalena Mudry had the business idea to open the only bistro and café in Morąg by making use of the unique water tower. There was a clear emphasis on providing healthy food and the business promoted cultural heritage by organising relevant events in the tower. By combining employment creation, business development and cultural heritage, the new project well matched the local community-led development strategy's aims.

The project supported necessary business equipment purchases, effectively contributing to Morąg's socioeconomic development and heritage cultivation. By locating a bistro and café bar in the historic building and organising cultural activities, the project gave the tower a new social and economic purpose, improved its accessibility and added value for the local community and its visitors.

Project results

- One new enterprise was established.
- Two full-time jobs were created.
- An average annual profit of PLN 60 000 (EUR 14 000) was achieved.
- All equipment purchased was highly energy-efficient benefiting the environment and sustainability of the business.

Key lessons and recommendations

- Networking and cooperation with other organisations and suppliers were important to ensure that all activities were deliberately chosen to meet the needs of the community and to maximise the use of local resources and potentials.
- The project is a good example of how - in times of economic crisis - new ways can be found to solve problems relating to people struggling with insufficient financial resources. Networking is the tool to change the face of European "small homelands".



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Context

When the old water tower from 1906 was renovated in Moraq, Poland, Magdalena Mudry had a project idea. Magdalena always had a passion for cooking and baking, but – until then – practised her talent mainly at home and for friends. Now, the newly renovated, registered heritage location offered her the opportunity to become professional. Already in 2008, she had started trading in equipment for the catering industry, which provided a useful basis for her new project. Magdalena decided to open the only bistro and café in Moraq where local customers and tourists could rest and meet in the unique historic space. A clear emphasis was on providing healthy, locally sourced, fresh and carefully selected food. The business also promoted and supported local cultural heritage by organising cultural events in the tower. By combining employment creation, business development and cultural heritage, the new project idea matched the aims of the area's LEADER local community-led development strategy very well.

Magdalena's business plan aimed to contribute effectively to Moraq's socioeconomic development and heritage cultivation. By locating a bistro and café bar in the historic building and organising cultural activities (e.g. concerts and meetings with authors and local artists), the historic building would gain a new social and economic purpose and be brought back to life. Its improved accessibility would provide the local community and its visitors with a newly created catering establishment offering healthy and affordable food as well as cultural entertainment.

Objectives

The project's implementation aimed at supporting entrepreneurship in Moraq by adapting a historic building into a catering establishment, thus increasing the economic diversity and number of jobs in the local area.

In addition, the project aimed to connect closely to the local area's potential and resources, such as developing cultural activities and working in cooperation with local public bodies and using this potential as a competitive advantage. Specifically, the project's economic aims were to contribute to the development of the local labour market by creating two full-time jobs including one new employment opportunity for a person from a disadvantaged group (a long-term unemployed person under 25).

Activities

Certain activities were accomplished before the European Agricultural Fund for Rural Development (EAFRD) funded project started. This primarily involved the market research study that analysed the local market conditions, including customers' demand and competition and identified the existing prices for products and services in catering and entertainment. Following the market research, a business plan with economic analysis, including all costs and financial planning, was prepared. After this, a list of necessary materials and devices was created to start the procurement process as part of the planned business activity.

The lease agreement for the premises was signed in September 2017. In addition, a number of preliminary agreements (e.g. declarations of cooperation) were signed with suppliers for the provision of certain food products, the development of an energetically balanced menu, and organisational and technical support in the promotion and implementation of various cultural events to take place in the water tower.

When the EAFRD contract was signed in May 2018, the business was ready to be established, creating one independent job with prospects for development in the near future. The request for the first grant payment was made.

Soon after, in June 2018, a sales plan was prepared and submitted for approval by the health and safety service (Sanepid) in Ostróda (approval was provided in the same month). In addition, procuring necessary items began in line with the project's implementation plan.

In July 2018, the café and bistro were fully operational and began providing their services. A small but consistent customer base developed in the first year of activity and kept growing during the second year.

Further activities at this stage involved promotional activities to attract customers. In September 2018, a person from a disadvantaged group was employed.

A second and final payment completed the project (November 2018).

Following the EAFRD project completion, the business continues implementing the objectives of its business plan with the maximum use of its infrastructure and resources. The aim now is to maintain the company for at least two years from the final payment. The next step will be to refine the vision of the company to inform the planning for a stable income generation and a thriving entrepreneurial development allowing the company to stay in the market and recruit more staff in future.

Main results

- One new enterprise was established.
- Two full-time jobs were created.
- An average annual profit of PLN 60 000 (EUR 14 000) was achieved.
- All equipment purchased was highly energy-efficient, benefiting the environment and sustainability of the business.
- The newly established cooperation with organisations, service providers, and suppliers across various economic sectors (public, economic, and social) contributed to effectively meeting the needs of the local community and attracting previously marginalised groups, thus addressing issues that are important for the local community.
- The project added value and purpose to a historic building by contributing to its use by the local community and supporting healthy food consumption and participation in cultural activities.

Key lessons and recommendations

- Networking and cooperation with other organisations and suppliers were important to ensure that all activities were deliberately chosen to meet the needs of the community and to maximise the use of local resources and potential.
- The project is a good example of how - in times of economic crisis - new ways can be found to solve problems relating to people struggling with insufficient financial resources resulting from stagnation or the lack of development of places where they live and work. Networking is the tool to change the face of small European homelands.
- The results achieved by the project lead to new and improved capabilities of local society and a better use of available local resources.

Quote

"What I missed the most in Morąg was a nice, cosy cafe. Finally, it is here, and in a very cheerful place too".

A customer

"Stylish interiors · Picturesque views · Cool atmosphere · Healthy options · Creative cuisine".

A customer

Additional information:

Project webpage:

www.ksowplus.pl/baza-danych/baza-dobrych-praktyk?tx_wrobksowprojects_ksowprojects%5Baction%5D=show&tx_wrobksowprojects_ksowprojects%5Bcontroller%5D=Project&tx_wrobksowprojects_

