

# **BUSINESS PLAN**

## **MUG Devon (Silverton) Coffee Shop.**

**Business Plan: 2026 – 2028**

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**Business type: Independent Artisan Coffee Shop/Cafe**

**Date: June 2026**



## **EXECUTIVE SUMMARY**

**MUG Devon is a proposed independent café and takeaway business located in Silverton, Mid Devon, offering speciality coffee, locally sourced food and drinking products, and a welcoming community-focused environment. Inspired by Devon’s coastal character and independent café culture, the business aims to create a high-quality destination for residents, commuters, walkers, cyclists, tourists and dog owners. With strong passing traffic through the village, low premises overheads, and growing demand for independent hospitality venues, MUG Devon has been developed as a sustainable and scalable business with strong long-term potential.**

## **BUSINESS DESCRIPTION**

**MUG Devon is an independent artisan coffee business focused on creating a welcoming, community led coffee experience inspired by the Devon coastline, local craftsmanship and sustainable values.**

**MUG Devon has been developed around the idea that coffee spaces should offer more than just drinks.**

**The business aims to create a warm, authentic and welcoming environment where people can connect, relax, and feel part of their local community.**

**Combining high quality speciality coffee and refreshments with a rustic aesthetic, particular emphasis is placed on supporting local suppliers, sustainable business practices with customer experience at the heart of what we do.**

The brand identity reflects a blend of coastal vintage charm and industrial rustic styling, creating a visually distinctive atmosphere that sets MUG Devon apart from the larger commercial coffee chains.

The business will offer:

- Speciality coffee and espresso-based drinks.
- Premium teas and seasonal beverages.
- Handmade sandwiches, locally sourced cakes, pastries and light refreshments included, but not limited to, with the menu evolving as the business becomes more established.
- Branded merchandise, initially coffee mugs and travel mugs.

MUG Devons target market includes local residents, dog walkers, cyclists, commuters and visitors to the village seeking an alternative to mainstream coffee chains. Devons strong tourism economy, growing demand for artisan food and drink, and popularity of local independent brands provides a strong foundation for sustainable growth.

The business is intended to operate with strong community values, creating a destination that contributes positively to village life and local economic activity. Future plans include hosting small community events, collaborating with local producers and artists, and expanding the brand into a permanent café and retail offering.

MUG Devons mission is simple:

“To create beautifully crafted coffee experiences inspired by the Devon coast, bringing people together through warmth, community and quality.”

The business is currently seeking start up funding and support to assist with equipment, premises development, branding and initial operating costs.

## **PRODUCTS AND SERVICES**

MUG Devon will focus on delivering consistently high standards of product quality alongside a warm, welcoming customer experience that reflects the brands coastal inspired identity.

The business will provide a carefully curated range of quality speciality espresso-based coffees, premium teas, handcrafted hot chocolates, iced and seasonal beverages, handmade sandwiches, fresh pastries, cakes and take away options.

As a dog-friendly business, MUG Devon will also offer a small range of products specifically for customers visiting with their dogs, including dog-friendly drinks, treats and ice creams.

Whenever possible products will be sourced from local Devon suppliers to support the regional economy and reinforce the business’s commitment to

**sustainability and community partnerships and locally sourced food products designed to appeal to both residents and visitors. MUG Devon will also offer branded merchandise, initially coffee mugs and travel mugs.**

## **MARKET ANALYSIS**

**The demand for independent and community focused cafes and coffee shops continues to grow, particularly with customers seeking authentic, locally owned businesses that offer quality products and a welcoming atmosphere. Consumers are increasingly choosing independent coffee shops over large commercial chains, valuing personalised service, locally sourced products, unique branding and community connection. Silverton and the surrounding mid Devon area present a strong opportunity for MUG Devon due to the limited availability of modern artisan-style café spaces that combine high-quality coffee, relaxed social environments, community feel and a distinctive visual identity.**

**The café will appeal to a broad customer base including local residents, tourists, walkers, cyclists and dog owners., supported by Devons strong outdoor and community-focused lifestyle.**

**The inclusion of dog-friendly products and seating areas further strengthens the business's appeal. Devon's tourism industry also provides seasonal opportunities for increased footfall, particularly during spring and summer months.**

**Silverton benefits from consistent passing trade due to its position on a key commuter route between Exeter, Tiverton and surrounding Mid Devon villages. Local traffic surveys and parish planning reports indicate significant daily vehicle movement through the village, particularly during commuter peak hours, conservatively estimated at approximately 6,000 vehicles daily. Commuter traffic, local residents, cyclists and visitors give MUG Devon a broad and reliable customer base throughout the week.**

**MUG Devons coastal-inspired branding, rustic interior styling and focus on local suppliers position the business well within current hospitality trends that favour independent, experience led destinations offering both quality and community value.**

## **MARKETING PLAN**

**MUG Devon will focus on community-led marketing using social media, local advertising, community engagement and strong visual branding to build awareness and attract customers. Regular events such as free sample taster mornings, pensioner discount mornings and parent-and-toddler meet ups, including seasonal events such as teddy bears picnics and family activity mornings will also provide the opportunity to utilise the outdoor space on the Little Rec, helping to create a welcoming environment for local families, while encouraging customer engagement and repeat custom, positioning the café as a welcoming community gathering place.**

**The café will utilise A-board signage, external branding and promotional displays to attract the attention of commuter traffic and increase awareness of daily offers and seasonal promotions. These highly visible marketing tools will encourage impulse purchases and support customer growth from both local residents and passing visitors.**

**In addition, the business will focus on developing a loyal local customer base through consistent product quality, customer service, and community presence, whilst also appealing to commuters, visitors, walkers, cyclists, dog walkers and tourists passing through Silverton. Platforms such as Instagram and Facebook will be used to promote the café, seasonal products, events, and special offers. Word of mouth will provide significant organic marketing opportunities in building awareness considering the small village community.**

## **OPERATIONS**

**MUG Devon will operate as a professionally managed independent café focused on delivering high standards of customer service, product quality, cleanliness and operational efficiency. The business will source coffee beans and food products from trusted local and regional suppliers wherever possible, supporting both sustainability and the local economy.**

**Trading hours will initially be 7.30am-3pm Monday to Friday and 9am-1pm on Saturdays and Sundays, which will be subject to review upon establishing customer needs and footfall trends within the first 12 months.**

**Daily operations will include food and beverage preparation, customer service, stock management, cleaning and compliance with all relevant food hygiene and health and safety regulations. The café will provide a relaxed and welcoming environment designed to encourage repeat custom and community engagement. Initially owner-operated, the business will have the flexibility to expand staffing levels as customer demand as trading volumes increase. Seasonal menu updates, strong supplier relationships and consistent brand presentation will form key parts of the ongoing operational strategy.**

## **FINANCIALS**

**MUG Devon has been developed with a focus on creating a financially sustainable and scalable independent café business. Initial start up funding will be used for premises preparation, interior fit-out, furniture, café equipment, branding, stock and working capital. The business aims to generate revenue through daily food and beverage sales, seasonal menu offerings, branded merchandise and community events.**

**Financial projections indicate steady growth in customer numbers and turnover as brand awareness and local reputation increase. Careful cost management, strong supplier relationships, and a focus on quality and repeat custom are expected to support long term profitability. Detailed cash flow forecasts and sales projections have been prepared to demonstrate the viability of the business and its ability to meet ongoing operating costs and future growth objectives.**

## **SALES PROJECTIONS & CASH FLOW FORECAST SUMMARY**

**Based on the location of MUG Devon within Silverton, Mid Devon, combined with commuter traffic, local footfall, tourism and takeaway trade potential, realistic first year sales forecasts have been developed using conservative to moderate customer estimates.**

**Silverton benefits from significant daily passing traffic due to its position on a key commuter route between Exeter, Tiverton and surrounding Mid Devon villages. Local traffic data and parish reports suggest approximately 4,000-7,000 vehicles pass through the village daily, creating strong visibility and passing trade opportunities for a centrally located café business. Even a small percentage conversion of this commuter traffic into regular customers provides strong commercial potential for MUG Devon.**

**The business is expected to attract an average of:**

- **50-70 customers per weekday during the initial trading period.**
- **Increasing towards 70-100 weekday customers as brand awareness and repeat trade become established.**
- **70-100 customers per weekend day during peak spring and summer periods.**

**With an estimated average customer spend of approximately £6.00-£7.50 per transaction, incorporating coffees, food items, cakes, takeaway purchases and dog friendly products, projected monthly turnover is estimated at:**

- **Winter months: £9,000-£12,000**
- **Spring/Summer months £14,000-£18,000**
- **Estimated year 1 turnover: approximately £160,000-£220,000**

The cafes combination of indoor and outdoor seating, takeaway convenience, roadside visibility, commuter traffic exposure and community-focused branding is expected to support a balanced mix of repeat local customers and passing trade throughout the year.

## **ESTIMATED MONTHLY OPERATING COSTS**

Projected monthly operating costs are estimated as follows. Staff wage projections include employers' NI contributions:

- Premises lease: approximately £400
- Staff wages: (2 full time employees working 37 hours and 1 part time employee working 16 hours per week at a rate of £15 per hour) approximately £5,800 - £6,200
- Utilities and Wi-Fi: £350-£500
- Stock and ingredients: £3,000 - £4,500
- Insurance and licences: £150-£250
- Accounting and software: £100-£150
- Cleaning, packaging and miscellaneous costs: £300-£600
- Business loan repayment: £450

Total monthly operating costs are projected to range between £10,500 and £13,000, depending on seasonal trading volumes and stock requirements.

## **CASH FLOW FORECAST**

MUG Devon is expected to become profitable within its first year of trading, supported by low premises costs, favourable beverage profit margins, and steady commuter and local trade opportunities.

Seasonal tourism and outdoor seating are expected to increase revenue during spring and summer.

Careful stock control and managed growth will support healthy cash flow. Start up funding will cover equipment, fit out, branding, stock and launch costs.

The business is projected to reach break-even within approximately 12 months, with future growth opportunities through expanded food offerings, merchandise, events and tourism trade.

## **FUNDING REQUEST**

Mug Devon is seeking a start up business loan of £25,000 to support premises fit out, café equipment, furniture, branding, initial stock and working capital during the launch phase. The funding will support the creation of a sustainable independent café business serving the local community of Silverton and surrounding villages within Mid Devon.