

Feasibility Study

Date: March 12th 2016
To: Stewart Sinning and the Green Team
From: Project Management 270 Winter 2016 Class
Subject: Feasibility Study for Selling Reusable Cups at Edmonds Community College

March 11, 2016

Mr. Sinning,

After many hours of research and deliberation, the winter 2016 project management 270 class presents you with this feasibility study regarding the selling of reusable cups on campus. Our class divided into five groups that were responsible for stakeholder input. Numerous hours were spent determining whether a strong business case existed to implement the sale of reusable cups on campus. We spoke with the stakeholders, researched vendors and sought the input of anyone who may play a role in the success of this project. The general class consensus regarding the sale of reusable cups on the Edmonds Community College campus is feasible, though not without its obstacles and challenges. As you will see, we encountered numerous roadblocks that we believe can be resolved with additional collaboration and support from the stakeholders.

Sincerely,

The Students of Management 270

Edmonds Community College

Feasibility Study for Reducing Paper



Coffee Cup Waste from EDCC Campus

Edmonds Community College

Project Management 270

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Introduction

Our winter 2016 management 270 class has conducted a feasibility study for the Green Team to determine if implementing the sale of reusable coffee cups at Edmonds Community College is a viable option to reduce the amount of trash generated on campus. It is extremely important to EdCC students and staff to uphold an environmentally sustainable campus. The main purpose of this project is to decrease waste by offering a reusable cup option in addition to the traditional paper cups. The project directly aligns with the Green Team's motto to "engage and empower students, faculty, and staff to adopt healthy, sustainable practices that benefit our diverse campus, the greater community, and our environment for future generations." The Green Team's idea is reasonable and could be implemented, as well as a few additional concepts to raise the awareness of the amount of trash we are collectively generating.

Project Summary

In order to determine viability, our project management class took action by interviewing stakeholders and surveying their needs and requirements. We analyzed and put together all the collected information. The study indicated the constraints of this project are feasible and the Green Team could move forward with the reusable coffee cup campaign, however, there are a few stipulations that should be taken into consideration before proceeding. We feel the Green Team should forego the original company suggested, Sustain, and proceed with the company we discovered, Hefei Hyde Environment Protection Technology Co., LTD. This company will allow the Green Team to place a minimum order of 3,000 cups, as opposed to the minimum 20,000 cups required by Sustain. After surveying the student body, we learned they would like a 16 ounce, spill-proof cup, with a detachable lid. We also learned that the student body might be more likely to use a reusable cup when a discount is offered. Currently the campus café offers a discount if you bring your own cup, though this is not readily advertised.

Objective

On March 15, 2016, a feasibility study regarding the sale of reusable cups for hot beverages on the Edmonds Community College campus is delivered to the Green Team. The feasibility study provides the Green Team with options to meet their goals of reducing waste on campus and promote sustainability. This study contains input from the student body on their willingness to use the new cups and the cup options that appeal to them. The study also includes financial and operational analysis from the cafeteria and Triton Espresso and provides a recommendation on whether or not to move forward with the project.

Requirements

Marketing

- After receiving all necessary approvals, students in the marketing department need to develop a marketing campaign to promote the sale and use of reusable cups before the initial order is placed.
- Based on guidance from the marketing department, the art department creates promotional banners, signs and flyers before the cups are ordered by the Green Team.

Procurement

- Students from the art department need to develop artwork that is approved by the Green Team and can be printed on the reusable cups.
- The Green Team needs to secure funds to purchase the minimum order of 3,000 cups from Hefei Hyde (\$2,500).
- The Green Team also needs to secure funds to launch a campaign promoting the use of non-disposable cups at Triton Espresso and the cafeteria. The funds must be raised before launching the campaign.
- The Green Team needs to order 16-ounce reusable spill proof cups with detachable lids that can withstand boiling temperature.

Logistics

- The Green Team will accept delivery of 3,000 cups and deliver 500 cups to both the cafeteria and Triton Espresso for resale to customers. Additionally, the Green Team will need to accept responsibility for finding storage space for the remaining 2,000 cups.
- During the sustainability campaign, the cafeteria and Triton Espresso will display banners and signage promoting the sale of reusable cups and the usage of non-disposable cups.
- The cafeteria and Triton Espresso will sell these reusable cups to customers. The cafeteria and Triton Espresso will provide the proceeds from the sale of the reusable cups in the previous month (not including sales tax) to the Green Team.

Constraints

- *Time*: Mr. Sinning reported that the project should be completed by the start of fall quarter 2016.
- *Cost*: This will depend on whether the Campus Green Fund grant application is successful. If the application is approved, then the cost constraint is based on how much grant money is awarded. If a grant is not submitted by the deadline, there will be no money to move the project forward and the Green will be responsible for all expenses.
- *Quality*: The cups must endure boiling temperature, be leak proof and have detachable lids.

WBS Outline

0. Green Team Reusable Cups Project

1. Planning

1.1 Funding

1.1.1 Define budget

1.1.2 Apply for grants

1.2 Storage

1.2.1 Determine storage size necessary for cups

1.2.2 Find convenient/accessible permanent storage facility

2. Hefei Hyde cups

2.1 Design

2.1.1 Cup Specifications

2.1.1.1 Determine size

2.1.1.2 Determine color

2.1.1.3 Acquire artwork requirements

2.1.2 Artwork

2.1.2.1 Communicate artwork specifications to art department

2.1.2.2 Produce artwork

2.2 Procurement

2.2.1 Contracts

2.2.1.1 Write terms & conditions

2.2.1.2 Negotiate contract

2.2.2 Determine delivery dates

2.2.3 Place order

2.3 Distribution

2.3.1 Distribute the cups to coffee stands

2.3.2 Display cups

2.4 Sales

2.4.1 Sell cups

2.4.2 Collect proceeds from cup sales

3. Marketing

3.1 Flyers

3.1.1 Create flyers that promote reusable cups

3.1.2 Print flyers in various sizes of paper

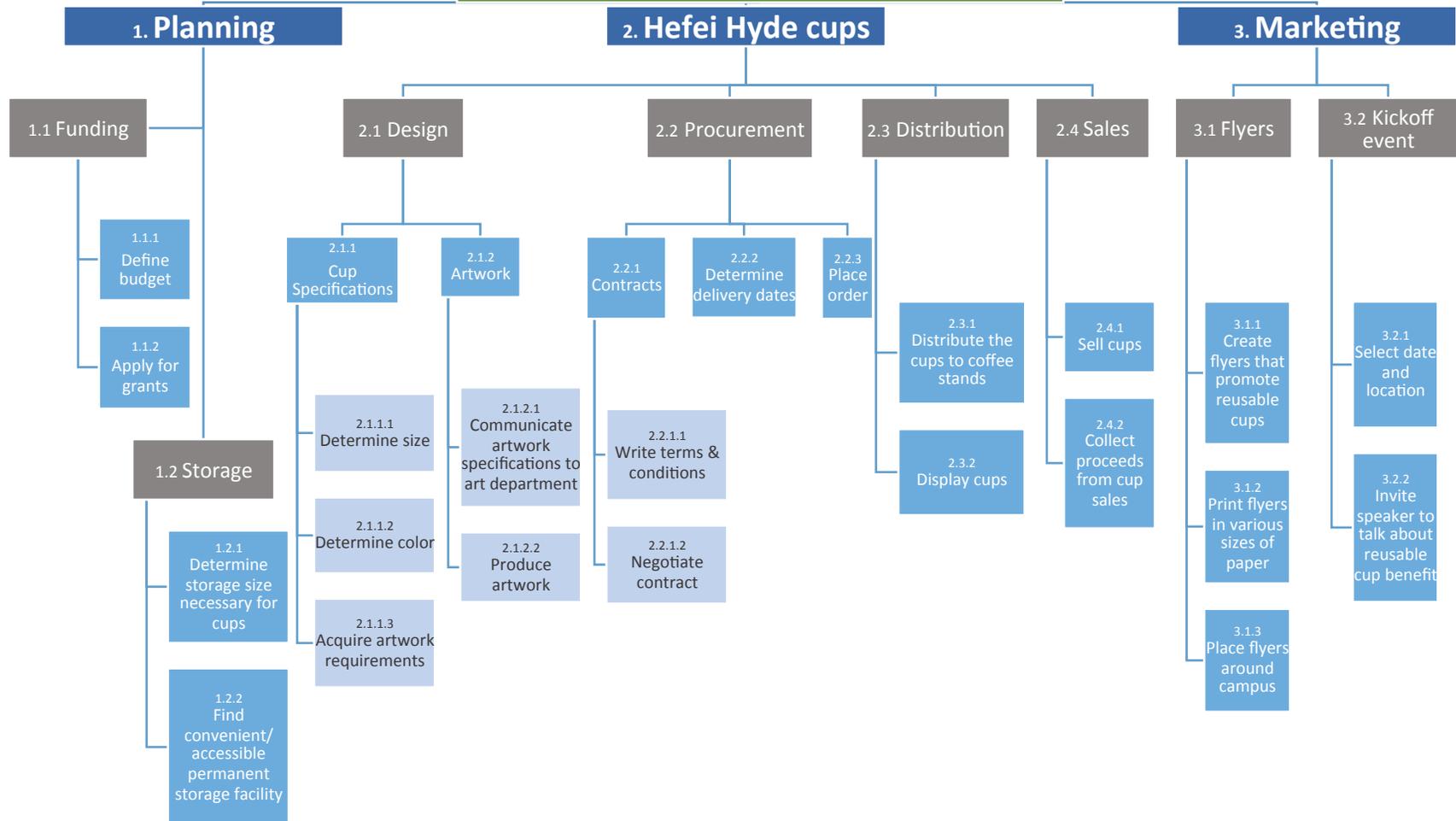
3.1.3 Place flyers around campus

3.2 Kickoff event

3.2.1 Select date and location

3.2.2 Invite speaker to talk about reusable cup benefit

0. Green Team Reusable Cups Project



Recommendations

We took the time to research how we would get the cups, weighed the pros and cons of each supplier and determined which vendor would be the most feasible option. After reviewing many companies and what they could offer the Green Team in regards to reusable cups, we found Hefei Hyde Environment Protection Technology Company (HHEPTC). What makes HHEPTC the best option in our feasibility study is their 3,000 cup minimum required purchase order.

Though there were strong reservations, two out of the five groups in our class—roughly 40 percent—believe this project is feasible and would recommend proceeding. Despite the differences in opinion, we would like to present you with several options on how to make this feasible.

One common factor all the groups agreed on was who should manufacture the cups. Since we are not unanimously certain of the project's success, we suggest going with HHEPTC based on their lowest minimum purchase requirement since it presents the lowest risk in terms of potential financial loss and leftover inventory. We think it is wise to start with the smallest possible order of cups and make adjustments if needed.

Another item everyone agreed on was marketing. If people don't know about it, then they won't have the desire or knowledge needed to buy the cups, therefore it is essential to develop a marketing program. Marketing can be done in many different ways including posters, fliers and education. Communicating the value of the cause behind the cups is crucial. If the consumer is aware of the benefits the cups have on the environment, they are more likely to support the cause behind the campaign.

Part of marketing the cups should also involve having the art department design the artwork or logo to put on the cups. Involving the art department will help personalize the cups by adding a local touch. By creating something professional looking and eye catching it will help market the cup and make people want to purchase it.