



# Virtual and Physical Shared Services Model

31<sup>st</sup> October 2025

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## **Virtual and Physical Shared Services Models**

### **Shared Services Vision**

The goal is to establish a legal entity that coordinates and drives the sales and marketing of locally produced food from the Dingle Peninsula, ensuring availability of high-quality, sustainable products while strengthening the local food economy. This entity will employ a Shared Services Coordinator to manage: Sales lead generation, Marketing and brand development, Logistics and weekly supply chain coordination.

The initial focus will be on meat and seafood, with supply targeted at: Retailers and butchers, Foodservice operators, Direct-to-consumer channels.

Over time, the initiative will expand beyond the Peninsula to surrounding areas within approximately 60 km. A food truck will be introduced later to enhance brand visibility and create additional revenue streams.

### **Shared Services Model – Key Functions**

- **Administration & Compliance:** Centralized management of regulatory requirements, invoicing, and reporting.
- **Sales & Marketing:** Coordinated campaigns to build brand identity and consumer trust.
- **Logistics:** Shared cold-chain infrastructure and delivery scheduling to optimize costs.
- **Market Development:** Support for seasonal pop-ups, hospitality partnerships, and e-commerce.

### **Vegetable Integration**

Research indicates limited local vegetable supply and established routes to market for existing growers. However, the creation of a shared services function could simplify administration and marketing, potentially encouraging increased vegetable production over time. This would help preserve local horticultural heritage and diversify the product offering.

### **Shared Services Overview**

For local lamb and seafood to reach local markets effectively, a structured approach is required to manage routes to market, administration, compliance, and sales/marketing. Research on domestic and international Short Food Supply Chains (SFSCs) shows that small-scale producers often face significant challenges when operating alone, including:

- **Logistics and Distribution:** Coordinating transport and cold-chain infrastructure.
- **Regulatory Compliance:** Meeting food safety and quality assurance standards.
- **Time and Skills:** Balancing core production with new tasks such as marketing and customer engagement.
- **Scalability:** Individual producers may struggle to meet growing consumer demand.

These challenges have been successfully addressed elsewhere through collective models, often supported by shared services for administration, compliance, and market development. Such an approach reduces operational burdens, improves efficiency, and enables producers to focus on quality and sustainability.

## **Shared Services Case Study**

An example of one such collective is <http://foodhub.hu/>, a non-profit organisation and network in Hungary dedicated to revitalising local food systems by enabling micro-enterprises to access markets for value-added food products. The network connects small-scale food businesses—often using locally sourced ingredients—with restaurants, retailers, and farmers' markets seeking high-quality, regionally distinctive products.

By centralising logistics, digital tools, knowledge sharing, and demand forecasting, Foodhub.hu helps overcome typical barriers faced by micro-enterprises—such as limited market reach, logistical complexity, and regulatory compliance. It supports vibrant regional food economies while fostering transparency and fairness in the value chain.

The central services provided include aggregation, storage, order picking, and delivery of processed or semi-processed goods. It also offers sales support, billing, compliance assistance, and marketing services.

Additionally, Foodhub.hu provides training and facilitates collaboration among stakeholders. It plays a role in demand forecasting by helping producers align output with market needs using data-driven insights.

For the Dingle Peninsula, a similar model is proposed, focusing on enterprises that add value through processing, packaging, or product innovation rather than primary production.

## **Proposed Shared Services Model for The Dingle Peninsula**

Small-scale food businesses on the Dingle Peninsula—particularly those working with locally sourced lamb, seafood, and beef—face significant challenges in reaching markets efficiently, competing with large-scale processors, and managing the administrative and logistical demands of modern food systems in Ireland. To address these pressures, a Shared Services model is being proposed to support micro-enterprises engaged in processing and marketing these products.

This initiative, referred to as Dingle Peninsula Shared Services, will initially operate as a virtual model without physical infrastructure. Any future investment in facilities will be based on sales performance and a needs analysis. Research indicates that the model will focus on lamb-based products as its core offering, supplemented by seafood and beef products that have undergone some level of processing or packaging. These products will be coordinated and marketed through the Shared Services platform to achieve scale efficiencies.

The Shared Services model will also manage and market a Dingle Peninsula branded food truck, which will showcase locally processed products. Full details of this component are outlined later in the document.

This approach builds on successful examples such as Foodhub.hu, where micro-enterprises collaborate through a centralised service that provides essential supports. By pooling resources, businesses can reduce costs, strengthen marketing and communication, and access new markets while maintaining the authenticity, quality, and sustainability that define the Dingle Peninsula brand.

The vision is to create a resilient, stakeholder-driven food system that enhances local incomes, reduces administrative burdens, and ensures consumers on the Dingle Peninsula and surrounding areas can access traceable, sustainably sourced, and value-added lamb and seafood products.

## Two - Option Model Approach

This report recommends a phased approach over 2 steps to creating a Shared Services model for lamb farmers and fishers.

- Option One: A virtual shared services model which would offer sales, marketing and distribution to retailers/butchers, foodservice operators and consumers, together with a shared coordination function.
- Option Two: A physical shared services hub which would act as a storage and logistical platform through which local produce would be routed, but which would not carry out any food processing onsite. Option two would also include all of the shared services outlined in option one above.

For both options to work, the local abattoir would provide functions of slaughter, maturation and packing into retail cuts with appropriate consumer labelling where required for the lamb. The local abattoir would support the Shared Services coordinator in implementing the model and would also assist with the redistribution of surplus meat cuts via the abattoirs own retail network.

While seafood would benefit from Shared Services like marketing, opening new accounts, order delivery coordination etc, seafood would be delivered directly by the fishers to the foodservice operators to avoid complex food safety issues. Seafood would only be able to join the shared delivery route if it is pre-packed in an approved facility. The fishers would have constant access to the Shared Services coordinator in relation to sales growth initiatives, compliance advice etc.

A weekly seafood market is also proposed which would be run directly by the fishers and would be coordinated and promoted by the Shared Services coordinator.

### Option One: Shared Services Model (“Shared Services”)

As part of the recommended Phase One approach, a suite of centralised shared services is proposed to ease the operational burdens faced by local food businesses while ensuring efficiency, quality, and consistency across supply chains. By pooling resources, the Shared Services model would provide critical supports such as logistics, compliance, coordination, sales, marketing, and administration—functions that would otherwise be costly or difficult for individual enterprises to manage alone. This collaborative approach not only reduces duplication of effort but creates economies of scale, strengthens regional branding, and ensures that locally processed products can reach markets in a streamlined, professional, and reliable manner.

These shared services would be provided by a full-time coordinator, working remotely and closely with local retail/butcher outlets, the foodservice sector and consumers.

The shared services that would be part of phase one would include:

- Shared Logistics
  - Sourcing and supply and coordination of delivery by lamb farmers to abattoir in agreed quantities
  - Multi temperature Shared Services vehicle with chilled/ambient capability (if required and excl. seafood)



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- Coordination/route planning service of all weekly retail, B2B and customer deliveries on the Dingle Peninsula (if required)
- Carrying out all deliveries to shops/butchers, foodservice operators and consumers (if required)
- Order aggregation and preparation
- Data collection and demand forecasting to align supply with market needs taking seasonality into account
- Administration
  - Shared invoicing resource using technology solutions
  - Provide shared product and public liability insurance, where required by farmers/fishers (existing farmer/fisher policies may already cover)
  - Payment tracking and debtor follow-ups
  - Basic bookkeeping for hub transactions
  - Ensure VAT compliance
  - Collective purchasing of common aspects e.g., packaging, labels, crates, etc
- Compliance Support
  - Food safety advisory expert available (third party on contract)
  - Support with farmer DAFM/EHO registration and SFPFA fisher registration
  - Labelling and traceability requirements
  - Management of all HACCP requirements
  - Ownership of regulatory relationships
- Brand & Marketing Coordination
  - Ensure brand compliance and that the produce being sold is compliant with the specification agreed between the primary producers from the outset (i.e. size, provenance, feeding & grazing regime for produce)
  - Setting up all social media platforms, ongoing posting and development of same.
  - Coordination of PR for local Dingle Peninsula primary produce
  - Development and execution of trade customer and consumer acquisition strategy
  - Building a customer database to facilitate direct marketing
  - Scheduling events and giving talks to interested consumer groups
  - Fostering links between consumers and Dingle Peninsula farmers/fishers/growers e.g. farm crawls, meet the fisher etc
  - Sales generation through creating Dingle Peninsula retail and foodservice listings with local buyers
- E-commerce Shared Platform
  - Set up and run a collective site to promote the product ranges of farmers and fishers
  - Ensure this site has B2B and a B2C functionality which would include the ability for trade customers to order efficiently
  - Create seasonal e-commerce campaigns (e.g., “Easter Lamb Boxes,” “Christmas Hamper Pre-Orders”)
  - Plan order cycles and cut-off times
  - Align promotions with lamb and seafood product availability and delivery schedules



- Note: For seafood to be part of the e-commerce model, processing and packing at a third-party site would be required to facilitate being delivered in the Shared Services Vehicle. Fishers could be part of the e-commerce model if they delivered product to consumer directly
- Provision of Training and Knowledge Sharing for Farmers and Fishers
  - HACCP, hygiene and traceability requirements
  - Sustainability guidance and training
  - Developing added value products (possibly and later in the journey)
  - Storytelling skills on how the farmer and fishers can promote their enterprises to support the initiative
  - Joint workshops with chefs, retailers, etc., to understand trade requirements
  - Coordination of study trips to other regions
  - Waste reduction and circular economy practices
  - Consumer trends relevant to the food categories stakeholders represent
- Coordination, marketing and management of Dingle Peninsula Food Truck
  - A full overview of this food truck model is provided later in this document
- Coordination, marketing and management of a weekly seafood market operated by the fishers. The operation of this market is set out in the separate support document “Business Strategy for a Seafood Micro Enterprise”

The initial Shared Services model would be supported by a full-time Shared Services Coordinator, responsible for managing the functions outlined above and evolving the model over time. This role is designed to operate remotely, leveraging technology to maximise efficiency and deliver services virtually. The coordinator would also oversee distribution, delivering processed meat products to trade customers and consumers using the Shared Services van where distribution is not handled by the abattoir. Seafood deliveries would remain the responsibility of approved suppliers, ensuring compliance with food safety standards.

### Annual Shared Services Overheads

The table below sets out the high level estimated annual costs of running the Shared Services.

| Item                                   | €              |
|--|----------------|
| Hub coordinator (Full Time Gross Cost) | 50,000         |
| Van running cost                       | 20,000         |
| Compliance and quality assurance       | 2,000          |
| Marketing and community engagement     | 10,000         |
| Finance and admin (outsourced)         | 5,000          |
| Office consumables, IT licenses        | 2,500          |
| Insurance                              | 3,000          |
| <b>Total</b>                           | <b>€92,500</b> |



## **Abattoir Role**

The local abattoir Miller Meats has indicated strong support for the proposed initiative and is willing to support the model with flexibility in their approach, and knowledge transfer to the Shared Services function. The abattoir responsibilities would include:

- Animal intake, welfare and compliance
- Slaughtering and primary processing
- Maturation and ageing
- Cutting and specification management for retail ready consumer cuts
- Packaging, labelling and documentation
- Food safety and quality systems
- Storage and dispatch for collection by the Shared Services vehicle
- Liaising with the Shared Services coordinator to support forward planning and continuous improvement
- Assisting with redistribution of surplus cuts, not used by the Shared Services customers via the abattoirs own retail network

There is potential for the abattoir to take on a wider role if they saw an opportunity to do so e.g. they could fulfil the delivery role in the earlier stages as an alternative to having a Shared Services van.

## **Dingle Peninsula Food Truck Operation**

In addition to providing Shared Services, the Dingle Peninsula Shared Services entity would operate a branded food truck. The objective is to maximise returns for local food businesses by enabling them to move further along the value chain. It is recommended that this food truck commence trading in Year 2, once the Shared Services model is established.

Selling cooked, ready-to-eat dishes directly from the food truck allows participating enterprises to capture a significantly greater share of the value chain compared to selling raw products into wholesale or factory systems. Instead of receiving only the farm gate price—often constrained by processors and global market fluctuations—businesses would transform locally sourced lamb and seafood into premium, ready-to-eat offerings that customers are willing to pay a higher price for. Cooking on-site adds theatre, freshness, and a strong provenance story, creating a direct connection from land and sea to plate.

This short supply chain not only secures higher margins per unit but also strengthens consumer trust, builds brand identity around local produce, and deepens the connection between local enterprises and their community. Ultimately, selling cooked food shifts participants from being price-takers in a commodity system to price-makers in a premium experiential market.

The food truck would also create opportunities to incorporate local vegetables and develop added-value products such as Dingle Peninsula Mutton Pie, showcasing Scotch Lamb and other regional ingredients.

The Dingle Peninsula Food Truck model would operate as follows:

- The food truck would be owned by the Dingle Peninsula Shared Services entity
- The truck would be managed by the Shared Services coordinator
- 10% of food truck sales would be allocated as a fee to the Dingle Peninsula Shared Services to market the truck and coordinate product supply to the Dingle Peninsula food truck. All end of year profits (after food truck costs are paid) would be passed to primary producers supplying product on a pro rata basis
- All branding on the truck would be provided by the Dingle Peninsula Shared Services office
- All food on the truck would be sourced via the Dingle Peninsula Shared Services office
- Dingle Peninsula lamb, beef, seafood and local veg would be sold via the food truck to allow for menu variation
- Marketing would emphasise that the food truck is operated under the Dingle Peninsula Shared Services brand, showcasing locally sourced and processed products from participating micro-enterprises.
- Probable trading model:
  - One pitch a week for approx. 12 weeks during summer months
  - One market every 2 weeks outside peak weeks
  - 30 days total trading at weekly markets @ €1000-€1200 per market day
  - 20 viable festivals some trading 2 days
  - 30 days total trading at festivals @ €3123 per event (per day)
- The food pricing would operate on a 75% gross margin basis
- Total annual sales for the food truck are estimated at €131,200 incl. VAT, (€115,594 ex VAT annually, calculated at 2025 VAT rates)

A capital cost of up to €40,000 would be incurred to purchase the food truck however a rental model could also be considered. All applicable grants would be applied for, and second-hand food trucks would also be considered to keep the capital outlay at a minimum.

The vision for staffing the food truck would be a collaboration with the Culinary School at MTU where young talented chefs (in training and qualified) would be employed by the Shared Services office to operate the truck under the guidance of MTU. The chef/s would benefit from putting new skills such as food preparation, entrepreneurship, compliance, etc, to use and have the ability to put their creative stamp on the menu using local produce.

### Dingle Peninsula Food Truck Cost/Revenue Model

The table below is an indicative commercial model for the Dingle Peninsula Food Truck at a single market day:

#### Typical Market Day for Food Truck

| Item                       | €     |
|----------------------------|-------|
| Weekly Sales Incl VAT      | €1100 |
| Weekly Sales ex VAT        | € 969 |
| Margin @ 75%               | € 726 |
| Wages @ 30%                | € 290 |
| Paper & Bags               | € 60  |
| Pitch Rental               | € 30  |
| Market Liability Insurance | € 10  |



|                            |   |
|----------------------------|---|
| Vehicle Insurance          | € 25                                    |
| Truck Fuel                 | € 20                                    |
| Gas                        | € 5                                     |
| Shared Services Fee @ 10%  | € 97                                    |
| <b>Total Running Costs</b> | <b>€ 537</b>                            |
| Weekly Surplus             | € 189 (from 1 days market trading only) |

Conservative projections suggest the food truck would enjoy 30 days market trading plus a further 30 festivals and events annually. Total ex VAT sales are estimated to be €115,594 at minimum and this would produce a minimum annual potential profit of €20,691. The higher revenue at festivals and events makes these a more profitable aspect of the truck's operations.

#### Option Two: Shared Services Physical Consolidation Hub

The timing of any physical hub would be determined by the sales performance and operating success of the Shared Services model which would be tested during the option one proof of concept stage. It is probable that the Physical Shared Services Hub would not be considered until at least year three. This Shared Services consolidation hub model envisages a physical building functioning as a logistics and distribution facility and additionally incorporating the previously mentioned shared services for its members.

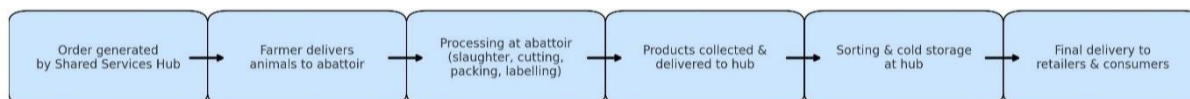
The hub would also function as a meeting place/training venue for farmers, fishers and consumers.

The financial model set out below suggests that with the Physical Shared Services Hub the Shared Services can only be viable (Break Even) when annual sales reach at least €1.1m. The Shared Services Coordinator would manage the hub operations. The physical hub would function as follows:

- Meat Journey via consolidation hub
  - Order generated by Shared Services Hub.
  - Abattoir orders require animals from farmers (lamb specification pre agreed with farmers for the type of lamb which would kill out at 24kg). A separate specification would apply to beef.
  - Farmer delivers animals to the abattoir. (with transport shared between farmers where feasible)
  - Abattoir slaughters and processes to retail pack or primal where required for meat counters/chefs etc.
  - Retail cuts are vacuum-packed or tray-sealed in MAP (modified atmosphere packaging)
  - Labelling applied at abattoir.
  - Packaged meat is collected from abattoir and delivered to the hub by the hub refrigerated vehicle.
  - Products are sorted and grouped into shop-specific orders and placed in returnable crates.
  - Chilled storage rooms maintain cold chain until dispatch.
  - Orders are loaded into refrigerated van for delivery to butchers, supermarkets, independent retailers, The Dingle Peninsula Food Truck and consumer direct supply.



## Product Flow for meat via the physical hub



The physical Shared Services Hub model does not allow for seafood or vegetable handling. Seafood and vegetables could only be passed through the hub if they were pre-packed elsewhere in designated and approved facilities set out for this purpose. The additional hub infrastructure costs and food safety complications to facilitate these categories are deemed to be prohibitive.

**\*Note** As mentioned previously, all of the Shared Services referred to in “option one” would also be part of option two, and these sales, marketing and coordination supports would be available to fishers also. All seafood orders for the foodservice sector generated by the Shared Services coordinator would be delivered directly “boat to restaurant/customer”. In the future if it is possible to prepack seafood at another facility, it could be handled by the physical hub and delivered by the Shared Services van.

### Shared Services Consolidation Hub Facility Description

The physical hub would serve as a multi-purpose facility combining logistics, storage, and learning spaces under one roof, designed to support the local producers.

It is envisaged that the hub would be circa 300 sq. metres and would be located in an existing building preferably owned by one of the local government agencies. In the ideal scenario, the building should have potential to be expanded in future years should volumes demand this.

At its core, the building would feature temperature-controlled zones—including chilled storage rooms to maintain cold chains for meat. A central intake and dispatch area would allow hub vehicles to load and unload efficiently, with dedicated space for sorting and consolidating orders into retail or customer-specific deliveries.

Supporting these core functions, the hub would also house a Shared Services office, meeting rooms, a small digital suite for e-commerce support, and a training room for workshops and knowledge sharing. This dual use facility, combining practical logistics and community learning would ensure the hub is not just a warehouse, but a centre of innovation and collaboration for Dingle Peninsula farmers and fishers.

While the specific list of equipment and fit out required would need to be determined by a situation analysis, the following indicative list shows a representative scenario.

- Chilled cold rooms with insulated panels
- Freezer room
- Racking system
- Pallet trucks and hand trolleys
- Crate washing facility



- Changing rooms and lockers
- Cleaning equipment stores
- Waste facilities
- Office desks, digital screens, meeting/training room fit out
- Staff facilities
- Refrigeration plant
- Hot water system
- Sustainable energy source e.g., solar PV

While costs would need to be determined by a QS, an initial indicative estimate suggests a minimum investment of €220,000 assuming a shell and core building is provided with services already in place. It is not envisaged that the Shared Services Hub would be progressed until there is proof of concept from the initial virtual Shared Services model. It could potentially be year 3 before the physical Shared Services hub is provided. It could equally be possible that the Shared Services supports model alone (virtual model) could be capable of delivering the required sales/logistic solutions without the need for any physical consolidation hub. It should not be assumed a physical consolidation hub would be necessary.

A 100% virtual model does however increase the dependency on third party partners like the abattoir, potentially reducing the independence of the model.

### Shared Services Set Up Costs

Other costs which can be expected in the earlier stage of the project are as follows:

- The build and activation of e-commerce site €6,000
- One off food safety consultancy in advance of opening €10,000
- Initial chilled van purchase €55,000 (VW Transporter)
- Legal advice for the setup of the legal entity €12,000
- Accounting fees for the detailed creation of cash flow projections, 5-year profit & loss, etc. €5,600
- Laptop, software and printer €3000

### Shared Services Financials

The projections below focus on the Shared Services model with a full-time coordinator from year one working remotely with no physical shared services hub envisaged for year one and two.

### Year One Annual Model (Trading would only take place for 9 months per year to reflect in season product)

The research conducted for this project has clearly demonstrated that selling one product alone is unlikely to work and other case studies such as Ring of Kerry Lamb have demonstrated a need for a multi-product approach. In the Dingle Peninsula it is recommended a combination of products are promoted as part of the short food supply chain incorporating lamb as the core product, supplemented with beef, seafood and a smaller amount of veg via the food truck. The table below sets out the projected food related sales passing through the entity in year one of operation and the associated 10% fee for the hub to fund its activities.



| Item  | € Sales         | Hub 10%  |
|---|-----------------|--|
| <b>Lamb Sales to Retail</b><br>Assumption: Typical 10 lambs per week which would rise in peak sales months. Target 520 lambs annually   | €124,800        | €12,480  |
| <b>e-commerce/Consumer Direct Sales (lamb only)</b><br>Assumption: Typical 1 lamb per week which would rise in peak sales months. Frozen lamb would be available for Christmas. Target 52 lambs annually. | €18,720         | €1,872   |
| <b>Veg Sales</b>  | €0              | €0   |
| <b>Seafood Sales</b><br>Assumption: Weekly Market €1000 and foodservice supply €750 per week, 9 months of year.   | €68,250         | €4,875 (5% Shared Service fee for market promotion and 10% Shared Service fee for foodservice marketing etc) |
| <b>TOTAL:</b>   | <b>€211,770</b> | <b>€19,227</b>   |
| Running cost of shared services year 1  | N/A             | €92,500  |
| Subsidy required year 1   | N/A             | €73,273  |

*Note: Interviews with the former Ring of Kerry Lamb stakeholders identified they sold 2000 lambs annually. This supports the assumption that projected Dingle Peninsula sales volumes are achievable in year 1.*

The year 1 projection above shows a mixed local-produce model with strong seasonality. Retail lamb is the anchor: 520 head per year at €240 per lamb generates €124,800 annually, with volumes peaking around Easter and late summer–autumn. Direct-to-consumer e-commerce adds €18,720 from 52 lambs (€360 per lamb), reflecting a higher unit price for main season boxed lamb or frozen product and a Christmas push. There is strong potential to grow this to a higher level with boxes targeted at tourists in self-catering accommodation.

Seafood contributes €68,250 based on nine active months at €1,750 per week (via a local weekly market plus foodservice supply), acknowledging weather and supply constraints off-season.

On these assumptions, gross sales of €211,770 yield a fee for the shared services of €19,227. Against shared services estimated overheads of €92,500 set out above, this leaves a year 1 subsidy requirement of €73,273 to operate the service.

Closing the gap would come from modestly lifting retail lamb throughput (e.g., +2/3 lambs per week in peak), extending seafood trading and shifting a greater share of produce to higher margin options i.e. direct to consumer.



## Breakeven Model (Trading would only take place for 9 months per year to reflect in season product)

This table identifies the minimum sales required for the Shared Services model to break even. It is estimated that this breakeven point could be reached in year four.

| Item  | € Sales    | Hub 10%  |
|---|------------|--|
| <b>Lamb Sales to Retail</b><br>Assumption: Typical 15 lambs per week which would rise in peak sales months. 12 to retail and 3 to foodservice. Target 720 lambs annually.                                   | €198,588   | €19,858  |
| <b>E-commerce/Direct consumer sales (Lamb only)</b><br>Assumption: Typical 3 lambs per week which would rise in peak sales months. Frozen lamb would be available for Christmas. Target 156 lambs annually. | € 56,160   | €5,616   |
| <b>Veg Sales</b>  | €0         | €0   |
| <b>Seafood Sales</b><br>Seafood Market €1200 and foodservice €1500, 9 months a year.  | €105,300   | €8190 (5% Shared Service fee for market promotion and 10% Shared Service fee for foodservice supply) |
| <b>Beef Sales</b><br>Assumption: Typical 1 animal per week which would rise in peak sales months at 180kg kill out @ €7.60 per kg. Target 52 animals per year.  | €71,136    | €7,114   |
| <b>Sales Outside Peninsula of all Products</b><br>Retail, foodservice and direct consumer sales.  | €566,020   | €56,602  |
| <b>Food Truck</b><br>Assumption: 30 market days at average sales €1100 and 30 festivals/events at average sales €3123 per event.  | €131,200   | €13,120  |
| <b>Total</b>  | €1,128,404 | €110,500   |
| <b>Cost of running Shared Services Y4</b><br>Projected overheads for Shared Services (€92,500) plus €10k consolidation hub premises rental Y4 + €8k per year Expenses *                                     | N/A        | €110,500   |
| <b>Subsidy Required</b>   | N/A        | 0  |

\* Covers electricity, waste and other estimated hub running costs.



This break-even analysis table above shows that lamb retail supply remains the anchor sales (€198,588), with e-commerce lamb adding a higher-value stream (€360 per head versus €240 retail supply), and beef contributing a steady €71,136.

Seafood delivers €105,300 in sales over nine months at a blended 7.8% Shared Service fee (5% fee for market sales, 10% fee for foodservice sales), reflecting both seasonality and lower shared services levy.

Estimates have suggested that lamb, beef and seafood sales on the peninsula alone may not be able to support the cost of the Shared Services model. Sales on the peninsula would be heavily dependent on how retailers, foodservice operators and consumers react to the concept and how much brand exposure can be generated. The projection above demonstrates that Dingle Peninsula primary produce may also need to be sold beyond the peninsula to reach the required break-even levels, however the necessity for this would be lessened should “on peninsula” routes to market surpass expectations.

### Projected Five Year Profit & Loss

Projected revenues to the micro-enterprises for product they sell via the Shared Services model, over five years are set out below.

- Year One €211,770
- Year Two €520,000
- Year Three €800,000
- Year Four €1,128,404
- Year Five €1,200,000

The Shared Services entity would earn its revenue from the Shared Services % contribution from revenues generated by the micro-enterprises (10% of sales on average and 5% of seafood market stall sales). This % contribution would fund the Shared Services support model. This Shared Service fee would not be large enough in years 1-3 to cover the cost of running the shared service support. The model is projected to break even in year 4 set out in the table below.

| Item                         | Year One  | Year Two  | Year Three | Year Four | Year Five |
|------------------------------|-----------|-----------|------------|-----------|-----------|
| Shared Service % Fee Revenue | €19,227   | €50,440   | €77,600    | €110,500  | €116,400  |
| Shared Services Overheads    | €92,500   | €92,500   | €92,500    | €92,500   | €92,500   |
| Hub Rental From Y3 Onwards   | €0        | €0        | €10,000    | €10,000   | €10,000   |
| Hub Running Expenses         |           |           | €8,000     | €8,000    | €8,000    |
| Net Profit/Loss              | (€73,273) | (€42,060) | (€32,900)  | €0        | €5,900    |
| Required Grant/Loan          | €73,273   | €42,060   | €32,900    | €0        | €0        |



Note: The cost of running the food truck is funded from its sales and profitability. Surplus profits after all food truck related expenses are paid would be returned to micro-enterprises on an annual basis.

The above table highlights revenue from the shared services fee, and shows the overheads associated with providing the Shared Services support for each year. In year one, as businesses begin to channel sales through the shared service, revenue from the percentage-based fee annualises modestly at €19,227 increasing significantly to €116,400 by year five as sales volumes grows.

The Shared Services fee is driven initially primarily by the sales of lamb and seafood and this is supplemented with the addition of beef sales, ecommerce and a food truck.

By year three, a dedicated consolidation hub could become operational, with overheads of €10,000 per year in rental, and €8,000 per year additional running expenses for utilities, maintenance, etc. While the physical consolidation hub may not be required if the virtual model working via the local abattoir can achieve success alone, it has been costed into the model above.

Core shared services overheads remain constant at €92,500 annually, covering the cost of the coordinator, administration, and promotional activity.

While the initiative runs at a loss during the initial growth phase reflecting the requirement for investment in creating a distribution network and brand-building, it could reach break-even in year four and achieve a modest net profit of €5,900 by year five.

To support the establishment period, the project would require grant or loan funding of €73,273 in year one, decreasing to €42,060 in year two and €32,900 in year three. By year four, it is projected that no further external support would be required, marking the transition to a financially self-sustaining shared services model benefiting the Dingle Peninsula region's local meat, seafood, beef and other primary producers.

Note: If the Shared Services virtual model can demonstrate its ability to grow sales to breakeven without the physical consolidation hub, the physical hub may not be required. This would reduce overheads by €18k annually and create a more attractive net profit from year 4 onwards.

### **Physical Primary Produce Processing Hub**

Consideration was given to expanding the Shared Services hub to include meat and seafood processing and packing functions. However, analysis shows that the cost of labour, the complexity of food safety compliance, and the resulting increase in operating costs make this approach unviable. While a dedicated processing hub could reduce fees paid to third-party processors, the additional complexity and expense were deemed unnecessary and unsustainable. This report therefore recommends forming strategic partnerships with the local abattoir and approved processors, who are already equipped and certified to handle primary processing for direct supply.



## Summary Capital & Setup Costs

The following sets out probable capital and set up costs for the Shared Services model. Some of these are linked to the physical Consolidation hub which may, or may not, be part of the final model.

| Item                            | €        |
|---------------------------------|----------|
| Ecommerce site set up           | € 6,000  |
| Food safety consultant          | € 10,000 |
| Chilled van (if required)       | € 55,000 |
| Legal advice                    | € 12,000 |
| Accounting & funding advice     | € 5,600  |
| Laptop, software and printer    | € 3000   |
| Supply Chain Software           | € 5000   |
| Consolidation hub (if required) | €220,000 |
| Food truck (year 2)             | € 40,000 |
| Total                           | €356,600 |

## Project Plan – Set Up of Dingle Peninsula Virtual Shared Services

### Phase 1 – Project Mobilisation (Month 1–2)

- Set up legal entity
- Appoint Board/Steering group
- Engage Project Manager / Coordinator
- Finalise funding & financing package (grants, loans, match funding)
- Develop procurement strategy (tender vs direct purchase)

### Phase 2 – Recruitment & Training (Month 1–4)

- Recruit Shared Services coordinator
- Deliver training in HACCP, food handling, cold chain
- Train businesses on Shared Services digital ordering & compliance systems
- Dry run logistics with sample orders

### Phase 3 – Procurement & Compliance (Month 2–4)

- Select suppliers for IT system (order/traceability software)
- Purchase bookkeeping software

### Phase 4 – Pilot Operations (Month 4–5)

- Limited “soft launch” with a small group of food businesses and local retailers
- Test logistics routes, order handling, and invoicing
- Collect feedback from customers and farmers
- Fine-tune operational procedures and pricing model

### Phase 5 – Go-Live (Month 6)

- Launch full service (farm supply, abattoir processing, logistics, Shared Services)
- Marketing campaign to promote hub brand
- Showcase event with community, buyers, media
- Continuous monitoring (KPIs: throughput, waste levels, customer satisfaction)

